



**OUR MISSION IS  
TO PROTECT.**

## FORCED LABOUR IN CANADIAN SUPPLY CHAINS REPORT

Layfield is committed to upholding ethical standards and ensuring that forced labour or child labour is not utilized in any aspect of its operations, both domestically in Canada and internationally. This report outlines Layfield's structure, activities, supply chains, policies, due diligence processes, risk assessment, remediation measures, employee awareness, and effectiveness assessment concerning forced labour and child labour.



## STRUCTURE, ACTIVITIES, AND SUPPLY CHAINS

Layfield is a privately owned, Canadian-based business, with a head office located in Vancouver, British Columbia. Operating as a leading provider of industrial packaging products and innovative environmental containment solutions, Layfield's supply chains span across various sectors, including manufacturing, distribution, and the procurement of domestic and internationally sourced raw materials and finished goods.

Layfield operates as the parent company for two divisions, Flexible Films and Geosynthetics.

As the largest manufacturer in the Pacific Northwest, the Flexible Films division services North America with a focus on manufacturing Food, Medical, and Industrial packaging. Layfield has invested in the appropriate equipment to support our vertical integration strategy to offer a fully integrated flexible packaging solution from extruding engineered films and offering printing, lamination, and bag-making capabilities.

The Geosynthetics division provides innovative solutions for containment and construction projects by offering single-source accountability through combined capabilities to manufacture, fabricate, install, service and distribute geosynthetic products and industrial fabrics.

Layfield has manufacturing/fabrication centres located in Vancouver, British Columbia, Edmonton and San Diego, Alberta with sales and distribution offered out of Layfield's regional branches.

## POLICIES AND DUE DILIGENCE PROCESSES

Layfield has implemented thorough policies that prohibit forced labour and child labour across its operations and supply chains. These policies encompass our commitment to the Forced Labour and Child Labour Act, integrated into every aspect of our organization from onboarding procedures to external reports. This integration serves to illustrate our adherence to relevant laws and international labour standards to all stakeholders.

**Forced Labour and Child Labour Policy** – represents a fundamental pillar of our commitment to ethical business practices. This policy is accessible on our internal intranet, shared with both new and existing customers, vendors, and suppliers, emphasizing our commitment to upholding ethical standards throughout our operations and supply chain. As part of our onboarding process, new employees are thoroughly briefed on this policy and advised on where to find resources related to Layfield's stance on forced and child labour. This ensures that our values and expectations are clearly communicated from the outset of their employment with Layfield.

### **Statement of Compliance on Forced Labour and Child Labour Act**

– a testament to our unwavering commitment to ethical business practices and adherence to Canadian legislation. This statement is communicated to both new and existing suppliers/customers to clearly articulate our stance and ensure alignment with legal requirements regarding forced labour and child labour. We request all vendors to provide us with their written statement of compliance. Failure to adhere to this request may result in the termination of our business relationship. By prioritizing transparency and ethical conduct, we reinforce our dedication to upholding the highest standards of integrity across our supply chain, fostering a culture of accountability and responsibility in all our business interactions.

**Supplier Code of Conduct** – fundamental element of our commitment to ethical sourcing practices. Embedded within this code is a stringent requirement for suppliers to firmly oppose and abstain from any involvement with forced labour and child labour in any form. Layfield's Supplier Code of Conduct is published on our website and sent to vendors along with a request to provide a written statement affirming their commitment to upholding these standards. Failure to adhere to this requirement may lead to the termination of our business relationship. We actively encourage both suppliers and their employees to report any suspected breaches of the Supplier Code of Conduct directly to their designated Layfield contact or to [Corporate@Layfieldgroup.com](mailto:Corporate@Layfieldgroup.com). This collaborative approach demonstrates our dedication to maintaining a transparent and responsible supply chain, where ethical principles are upheld at every level.

**Corporate Social Responsibility Report** – highlights our unwavering commitment against Forced Labour and Child Labour within the industry we operate in. We firmly believe that such practices have no place in our operations and are unequivocally prohibited. This commitment is not only crucial for ethical reasons but also for ensuring the well-being and dignity of individuals involved in our supply chain. By making this position explicit in our annual report, we aim to assure all stakeholders of our dedication to upholding ethical standards and fostering a socially responsible environment within our industry.

**Code of Conduct** – In our Code of Ethics, we firmly embed our position on Forced Labour and Child Labour, explicitly stating that these practices are strictly prohibited within our supply chain. This inclusion underlines our ongoing commitment to upholding ethical standards and safeguarding the well-being and dignity of individuals throughout our operations. We believe that such principles are essential for nurturing a responsible and sustainable business environment, and we remain committed in enforcing them rigorously across our organization.

Layfield implements due diligence processes to assess and monitor suppliers' adherence to these policies, including internal tracking of supplier statement compliance, supplier questionnaires, and statements mandating compliance. Layfield will continuously review and improve the risk assessment process based on feedback, emerging best practices, and changes in the operating environment.

## **RISK ASSESSMENT AND MANAGEMENT**

In instances where forced labour or child labour is identified, Layfield will execute remediation measures in a timely manner. These may include terminating relationships with non-compliant suppliers and reporting any issues identified to the appropriate local authorities.

There are various risk factors that need consideration when assessing the impacts of Environmental, Social, and Governance (ESG) factors. Our Quality team plays a key role in ensuring that risk assessments are identified as the business grows, develops, acquires, and advances. At the Layfield Quality Steering Committee, key stakeholders review risks associated with current and future business plans. We identify changes in systems, suppliers, and stakeholders to ensure proactive management of a changing business landscape. Any risk associated with human rights is considered through this process. If a risk is identified, it is documented and actioned as part of the standard business process at Layfield.

# REMEDIAL MEASURES AND REMEDIATION OF INCOME LOSS

In instances where forced labor or child labor is identified, Layfield will execute remediation measures in a timely manner. These may include terminating relationships with non-compliant suppliers and reporting any issues identified to the appropriate local authorities.

Layfield recognizes the socioeconomic implications of eliminating forced labor and child labor from its supply chains. Currently, the company does not have any measures in place to remediate the loss of income to the most vulnerable families. However, we are committed to exploring various avenues to provide meaningful support to vulnerable families as circumstances permit.

## EMPLOYEE AWARENESS

To enhance awareness among our employees, the Forced Labour and Child Labour Policy is incorporated into our onboarding process. This process covers key points and statements, as well as provide information on where to find resources related to forced and child labour and our company's stance on these issues. The policy is also posted on our internal intranet, and employees are notified of any updates. Layfield recognizes the importance of ongoing education and awareness to ensure employees remain vigilant and capable of addressing any potential violations effectively.

## EFFECTIVENESS ASSESSMENT

Layfield is committed to ensuring that forced labour and child labour are not present in our business operations and supply chains. As an ISO9001 certified organization, we diligently adhere to the highest standards of quality management to uphold our commitment to ethical labour practices.



This includes conducting regular internal audits, implementing comprehensive supplier evaluations, and maintaining detailed documentation of our labour practices.

If a risk of forced or child labour is identified within our supply chain, a non-conformance report will be raised through our quality database and a risk assessment will be developed with corrective actions. Layfield addresses forced labour concerns with the same diligence and seriousness as our standard health and safety procedures. By continuously monitoring and improving our



systems, we ensure that our operations not only comply with legal requirements but also embody best practices in ethical labour.

Through these measures, we strive to create a transparent and accountable supply chain that aligns with our core values and standards.

In conclusion, Layfield is dedicated to ensuring that forced labor and child labor have no place in its business operations or supply chains. Through robust policies, due diligence processes, risk management strategies, remediation measures, employee awareness, and continuous evaluation, Layfield strives to uphold the highest standards of ethical conduct and social responsibility. The company remains committed to collaborating with stakeholders and government authorities to collectively address the systemic challenges associated with labor exploitation and safeguard the rights and dignity of workers globally. This report is submitted in compliance with the regulatory requirements and in fulfillment of Layfield's commitment to transparency and accountability in ad-

ressing forced labor and child labor concerns.

In accordance with the requirements of the Act, and in particular section 11 thereof, I attest that I have reviewed the information contained in the report for the entity or entities listed above. Based on my knowledge, and having exercised reasonable diligence, I attest that the information in the report is true, accurate and complete in all material respects for the purposes of the Act, for the reporting year listed above.

**Annette Sauder**  
Chief Administrative Officer May 27, 2024  
*I have the authority to bind Layfield Group.*

