

# AB Mauri (Canada) Limited Fighting Against Forced Labour and Child Labour in Supply Chains Report (2024)

# **ABOUT THIS REPORT**

AB Mauri (Canada) Limited ("AB Mauri Canada") has prepared this report (the "Report") pursuant to the requirements of the *Fighting Against Forced Labour and Child Labour in Supply Chains Act* (the "Act") for the financial year ended August 31, 2024.

AB Mauri Canada does not report under any similar legislation in any other jurisdiction.

## INTRODUCTION

As part of Associated British Foods plc ("ABF"), AB Mauri Canada's position against forced labour and child labour is set forth in the ABF Supplier Code of Conduct (available at <u>ABF-Supplier-Code-of-Conduct-Policy.pdf</u>). For further information on our group-wide position on modern slavery, which includes forced and child labour and human trafficking, please refer to ABF's UK Modern Slavery Act Statement for 2024, which is available at <u>abf-modern-slavery-statement-2024</u>.

## STRUCTURE, ACTIVITIES AND SUPPLY CHAINS

## Structure

AB Mauri Canada is a corporation organized under the *Canada Business Corporations Act* with its headquarters in Lasalle, Quebec, Canada. In combination with AB Mauri Food, Inc., a US corporation headquartered in St. Louis, Missouri, AB Mauri Canada is a part of the AB Mauri North America ("ABMNA") division of ABF's global AB Mauri business unit. AB Mauri is a global leader in the manufacture and sale of yeast and bakery ingredient products. On a global basis, the AB Mauri business unit has 52 plants, operates in 32 countries, and sells in over 100 countries around the world. AB Mauri reports as a part of ABF's Ingredients division.

Within each business in ABF, ultimate responsibility and accountability for risk management, including that of human rights and modern slavery, sits with the CEO of the business. Within AB Mauri Canada, day-to-day responsibility for addressing matters relating to human rights and modern slavery has been delegated to the Senior Vice President of Procurement, Quality and Regulatory and the Vice President of Human Resources.



### Activities and Operations

AB Mauri Canada owns and operates two yeast plants in Canada, one in Lasalle, Quebec, and the other in Calgary, Alberta. AB Mauri Canada sells yeast produced at these plants under the Fleischmann's<sup>®</sup> Yeast brand name. In addition to yeast, AB Mauri Canada sells other bakery ingredient solutions produced at one of three sister AB Mauri Food Inc. sites in the United States. Finally, AB Mauri Canada distributes a complementary line of baking ingredient products manufactured by various supply partners, including but not limited to global AB Mauri affiliates located outside of Canada and the US.

AB Mauri Canada sells its wide assortment of yeast and bakery products to bakeries of all sizes, including smaller craft bakeries, medium-sized regional bakeries and larger industrial bakeries. In addition, AB Mauri Canada supplies Fleischmann's Yeast to its affiliate, ACH Food Companies, Inc., for sale into the retail channel for consumer use in the US and Canada.

## **Our Supply Chains**

AB Mauri Canada has a diverse supply chain. Key raw materials procured for its two Canadian manufacturing sites include substrates and other nutrients needed for the fermentation of yeast. Additional materials are used for other functions, for example water treatment. Our Canadian sites use a broad array of packaging including but not limited to corrugated boxes, laminates, cellophane wrap, folding trays, jars, lids and multi-wall bags. Additional items, either produced at other ABMNA sites or procured through distribution channels, include a range of other raw materials used in baking, including baking powder, calcium propionate, enzymes, and sweet good mixes.

Raw materials used for production within our plants, as well as other goods we distribute, are sourced from a variety of strategic supply partners, via both distributors and direct manufacturers. While the bulk of our inputs based on spend and volume are sourced from within North America, we also source materials, directly and indirectly, from Asia, South and Central America and Europe. Included in these are imports of materials sourced from other entities within the global AB Mauri business.

## POLICIES AND DUE DILIGENCE

AB Mauri Canada has controls and processes in place to assess and address the risk of child and forced labour. The foundation of our work in this area to date is the ABF Group Supplier Code of Conduct, which is available at <u>ABF-Supplier-Code-of-Conduct-Policy.pdf</u>. This Code of Conduct sets out our expectations of working conditions and labour standards in our supply chains. The Code of Conduct elaborates on a number of principles, including that employment be freely chosen and that child labour not be used. It is based on the Ethical Trading Initiative (ETI) Base Code, and the ILO Declaration on Fundamental



Principles and Rights at Work (1998, amended 2022). The Code of Conduct is incorporated into AB Mauri Canada's major raw material and packaging contracts with its direct suppliers and managed as a separate document for smaller or uncontracted suppliers. As set forth in the Code of Conduct, AB Mauri Canada operates with expectation that its suppliers will, in turn, develop relationships with their own supply chains consistent with its principles.

In the period covered by this Report, AB Mauri Canada began development of additional procedures intended to strengthen the implementation of the Supplier Code of Conduct. For example, AB Mauri Canada began to use a third party platform (Sphera) to support its supply chain due diligence. This third party system is used to help monitor risks associated with AB Mauri Canada's principal raw material, packaging, and finished goods suppliers.

# POTENTIAL RISKS IN OUR OPERATIONS AND SUPPLY CHAINS

## Potential Risks in Our Operations

The potential risk of child or forced labour in AB Mauri Canada's own operations is managed through its Human Resources policies and procedures. Taking into consideration these policies and procedures, together with the location of AB Mauri Canada's manufacturing sites, AB Mauri Canada assesses that the net risk of the use of child or forced labour in its own operations to be very low or close to zero.

## Potential Risks in Our Supply Chains

With a global supply base including raw material inputs derived from agriculture (e.g., molasses, fibers, vegetable starches, and fruit powders) and chemical and natural ingredients produced abroad (e.g. in China), AB Mauri Canada recognizes the potential risk of forced and/or child labour in its supply chains. This risk is articulated in various global indices such as the Global Slavery Index, Global Reporting Initiative (GRI), and the Sustainable Accounting Standards Board (SASB).

## Management and Mitigation of Potential Risks

As noted above, the centerpiece of AB Mauri Canada's efforts to mitigate the risk of the use of forced or child labour in its supply chain is the ABF Supplier Code of Conduct. Supplier acceptance of the ABF Supplier Code of Conduct is monitored via AB Mauri Canada's vendor qualification process, which extends to raw materials, packaging, and chemicals suppliers.

In addition to the application of the Supplier Code of Conduct and vendor qualification, in the period covered by this Report, AB Mauri Canada also initiated a process to further evaluate the ethical risks in



its existing supply chain. AB Mauri Canada prioritized the review on Tier 1 and Tier 2 raw material suppliers based on the nature of the commodity supplied and the region from which the commodity is sourced. This process has not been completed for all such suppliers as of the date of this Report, but is ongoing.

AB Mauri Canada did not become aware of any instances or allegations of forced or child labour within its own workforce or its supply chain during the period covered by this Report. Accordingly, AB Mauri Canada's efforts to remediate child and forced labour in the relevant period were confined to the efforts to mitigate those risks as discussed above. As these efforts did not to our knowledge cause a loss of income, no further remediation with respect to loss of income was undertaken in the period covered by this Report.

### TRAINING

In 2019, AB Mauri Canada launched an online training package to support the launch of the Company's Human Rights Policy. This training addressed human rights and forced and/or child labour. This training was updated and relaunched in 2022. This online training is available for all employees.

The objectives of the training include being able to identify red flags of potential human rights violations, understand the importance of conducting due diligence for third parties in AB Mauri Canada's supply chain, and how to report potential human rights violations.

Additionally, AB Mauri Canada Limited requires employees to comply with, and have training on, the AB Mauri Canada Code of Business Conduct, which includes provisions addressing forced or child labour consistent with those in the ABF Supplier Code of Conduct.

Finally, all AB Mauri Canada employees must sign an acknowledgement they have received and reviewed the AB Mauri North America Handbook upon hiring and annually thereafter. The Handbook sets forth the Company's policies with respect to modern slavery and child labour, and includes information about how employees can report any suspected violations of these policies.

#### **ASSESSING EFFECTIVENESS**

AB Mauri Canada is committed to continuing the development of its policies and programs to prevent and reduce the risks of child and forced labour in its supply chains and operations. It also intends to continue reviewing the processes, with a specific aim to make better use of online platforms and tools.



## **APPROVAL & ATTESTATION**

This Report was approved by the Board of Directors of AB Mauri (Canada) Limited on 29 May 2025.

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.

Signed by: Naomi Lopez

I have the authority to bind AB Mauri (Canada) Limited Naomi Lopez Director Date: <sup>29</sup> May 2025