

## 2023 Supply Chains Act Annual Report

This document constitutes the inaugural Annual Report (the “**Report**”) of Monoflo International, Inc. (the “**Reportable Entity**”, “**Monoflo**”, “**we**”, “**us**” or “**our**”) pursuant to section 11 of the *Fighting Against Forced Labour and Child Labour in Supply Chains Act* (the “**Supply Chains Act**” or the “**Act**”) and is covering the twelve-month financial year ended December 31, 2023 (the “**Reporting Period**”).

Forced labour and child labour are contrary to our purpose, vision and values. We do not tolerate forced labour and child labour in our organization or in those of our suppliers and subcontractors. We hold ourselves to the highest standards and expect the Reportable Entity employees, contract workers and directors of the Reportable Entity to act with integrity and comply at all times with the letter and spirit of the laws, regulations and rules that apply to the Reportable Entity in the jurisdictions where we operate and in particular with respect to the Act. If instances arise where these expectations are not met, we will strive to respond in an appropriate manner.

This statement outlines the policies and procedures we have in place and the steps taken by us in Canada to reduce the risk of forced labour and child labour within our businesses in our supply chains.

### 1. Our structure, operations and supply chains

We are a family-owned corporation incorporated in 1973 under the laws of the State of Virginia, United States of America. Our head office is located in Winchester, Virginia, United States.

Monoflo imports into Canada goods produced at our manufacturing facility located in the United States.

We are a manufacturer of injection-molded reusable plastic products that we sell to support manufacturer’s operations and distribution companies. Monoflo also has a division that is a manufacturer and a supplier of agricultural equipment, specifically livestock equipment.

The Reportable Entity employs approximately 341 employees at the end of the Reporting Period.

We source the raw material, other components, and supplies used in the production of our plastic products from several suppliers located principally in the United States with some purchases outside of the United States. The molding machines and other equipment used to manufacture our products come from the United States as well as outside of the United States. Our non-manufacturing procurement items include factory supplies, office and other supplies, freight, building related costs, cleaning services and other professional services.

### 2. The steps we have taken during the Reporting Period to prevent and reduce the risk of forced labour and child labour

During the Reporting Period, we did not take any steps to prevent or reduce forced labour and child labour in our supply chains.

### 3. Policies, due diligence and controls

Our activities and staff are governed by multiple measures to help in the prevention of forced labour and child labour.

#### (a) Our Human Rights Policy

Respect for the dignity and worth of every human being has always been one of our core values. Monoflo was built upon foundational beliefs in the importance of family, and the sanctity of every human life. This core value continues to be the driving force behind everything we do at Monoflo, compelling us to pursue the fair and equitable treatment of all people, including all people associated with us, including our directors, officers, employees and suppliers.

Monoflo strongly believes that it cannot fulfill its corporate purpose without conducting its business with total integrity. Operating with integrity means we must provide our employees with a safe place to work; fair pay and benefits; fair, equitable and inclusive treatment; provide our customers with the highest quality and safest products possible while listening and being responsive to their needs; build long-term, mutually beneficial relationships with our contract producers and support them and their efforts to succeed in their chosen vocation; operate in an environmentally sound way; and participate in and support our communities. The Human Rights Policy is overseen by the Executive Committee.

### **(b) Our Employee Code of Conduct**

Our Employee Code of Conduct includes specific dispositions dealing with human trafficking, forced labour and child labour. Monoflo is committed to the goals of eradicating slavery and human trafficking. All Monoflo products are produced in the United States using labor and materials that comply with all applicable federal and state laws, including those pertaining to human trafficking and slavery. Wages are paid according to all applicable federal and state laws and regulations. It is prohibited for any employee to not receive compensation for any time worked. Finally, our Employee Code of Conduct prohibits the hiring or employment of any person under the age of 18.

### **(c) Our Whistleblower Policy**

No officer, director, employee or agent of Monoflo shall take any harmful action with the intent to retaliate against any person, including interference with employment or livelihood, for reporting in good faith, internally or to any regulatory agency or law enforcement, any alleged violation of law or regulation, or for providing to a law enforcement officer any truthful information relating to the commission or possible commission of any offense.

## **4. Risk Assessment Methodology and Results of Assessment**

During the Reporting Period, we did not make any assessment of the potential risk related to forced labour and child labour in our operations and supply chains. In the future, we plan to roll-out a compliance program which may include a questionnaire designed to specifically address the issue of forced labour and child labour which we initially plan to send to our Tier 1 (direct) suppliers.

## **5. Risks of forced labour and child labour in our operations and supply chains**

To our knowledge, during the Reporting Period we have not identified risks of forced labour and child labour in our operations and supply chains. Our risk assessment process is currently non-existent. We have a goal of possibly setting up a compliance program to address this issue during our current financial year.

## **6. Our remediation processes**

Since we have no compliance program addressing specifically the issue of forced labour and child labour in our operations and supply chains, we have currently no remediation process in place to deal with this issue.

**7. Remedial Action Taken during the Reporting Period**

No, we have not taken any remediation measures.

**8. Our remediation actions for the loss of income to the most vulnerable families that results from any measure taken to eliminate forced labour and child labour from our operations and supply chains**

Not applicable, we have not identified any loss of income to vulnerable families resulting from measures taken to eliminate the use of forced labour or child labour in our activities and supply chains.

**9. Our training**

We have no director, officer or staff training in place at the moment dealing with forced labour and child labour in our operations and supply chains.

**10. Assessing our effectiveness**

No assessment of our effectiveness to prevent and reduce the occurrence of forced labour and child labour in our operations and supply chains was conducted during the Reporting Period and until we put in place a compliance program to address this issue we are not contemplating doing so.

**11. Approval**

This Annual Report was approved by the board of directors of the Reportable Entity pursuant to Subsection 11(4)(a) of the Act on May 28, 2024.

**12. Attestation**

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.

Dated this 28<sup>th</sup> day of May, 2024

**Monoflo International, Inc.**

Per: /s/ Christian LeMaster

Christian LeMaster, Director, I  
have the authority to bind Monoflo  
International, Inc.