



Monoflo International, Inc.

Report: Forced Labour in Canadian Supply Chains

Table of Contents

Introduction	1
Structure, Activities & Supply Chain.....	1
Policies & Due Diligence Processes.....	2
Supply Chain Risk Assessment	5
Remediation and Loss of Income	6
Awareness Training	6
Assessing Effectiveness and Next Steps.....	7
Attestation.....	9

Introduction

This report is filed by Monoflo International Inc. (known as “Monoflo”) in response to the *Fighting Against Forced Labour and Child Labour in Supply Chains Act* (the Act) and to amend the Customs Tariff (the Act), sections 11(1) and 11(3).

Monoflo is North America’s premier manufacturer of superior quality, injection moulded plastic products. We believe in investing in the best people and the best technology to drive innovation, supporting lower manufacturing costs for over fifty years. This foundational philosophy has led us to be the market leader in designing and manufacturing reusable plastic transport packaging for distribution, automotive and durable manufacturing, food and beverage and system integration and intralogistics products in North America. Monoflo’s breadth of product includes attached lid distribution containers, bulk or knockdown containers, plastic pallets, trays and containers.

Monoflo satisfies the definition of an Entity within the Act by doing business in Canada and meeting all of the revenue, asset, and employee thresholds.

This report covers Monoflo’s financial reporting year from January 1, 2025, to December 31, 2025.

Structure, Activities & Supply Chain

Structure

Monoflo operates as a private corporation headquartered in Winchester, Virginia, United States. Production and warehousing of Monoflo products sold in Canada are done in Virginia or Kansas. All of Monoflo’s employees are located in the United States.

Monoflo products are sold internationally. For products sold in Latin America, production and distribution of those products are performed by a separate legal entity located in Mexico. No products produced outside of the United States are distributed to Canada.

Activities

Monoflo products are sold into Canada through direct sales. Company representatives sell products to end-user consumers or distributors in Canada.

Monoflo sources raw materials, other components, and supplies used in the production of plastic products from several suppliers located principally in the United States. The moulding machines and other equipment used to manufacture Monoflo products come from the United States as well as outside of the United States.

Supply Chain

Monoflo’s supply chain includes upstream components of the plastic goods industry. Upstream components include material and equipment sourcing, production, R&D, supplier relationships, logistics and distribution.

To focus on the most specific aspects of Monoflo’s supply chain, vendors responsible for supplying goods which make up 1% or more of annual procurement were evaluated. Material vendors include those supplying resin, moulds, machinery, and equipment.

Tier 1 Procurement Spend by Region

Monoflo sources 77% of its materials from vendors in the United States. European vendors account for 10% of its procurement spend, while 12% is sourced from vendors in Mexico. Procurement from vendors in China accounts for the remaining 2% of Monoflo’s material spend.

Of the material vendors, Monoflo sources goods from Tier 1 vendors located in the United States, Austria, Italy, Mexico, and China. As seen in Figure 1, Monoflo’s vendor network is relatively concentrated.

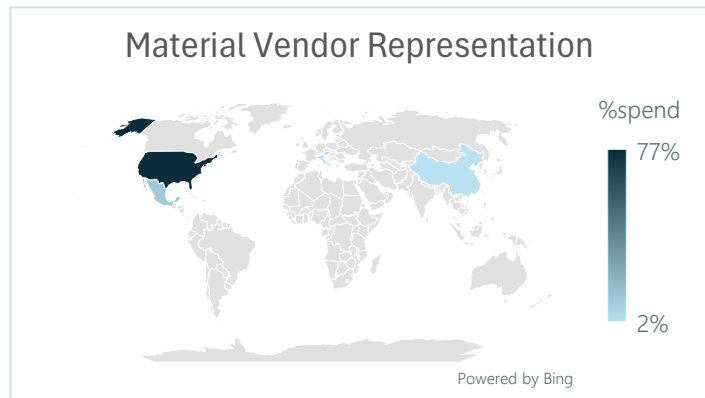


Figure 1: Material Vendors by Country

Policies & Due Diligence Processes

Policies

Monoflo maintains an Employee Handbook that sets out the policies and standards applicable to all employees. The handbook establishes core company values, expectations, and norms of conduct, including requirements related to ethical behaviour, compliance with applicable laws, and respect for human rights.

The handbook includes key policies such as Monoflo’s Human Rights Policy, Ethical Conduct Policy, and Code of Conduct, which collectively outline expectations for responsible business practices and employee behaviour. These policies reinforce Monoflo’s commitment to conducting business in a lawful, ethical, and socially responsible manner, including expectations related to identifying and addressing potential human rights risks.

All new employees are required to review the Employee Handbook and Code of Conduct and formally acknowledge their understanding and acceptance of these documents. Employees provide sign-off confirming they have reviewed and will comply with the policies outlined in the handbook and the Code of Conduct. When updates or changes are made to the Employee Handbook or any related policies, employees are required to review the revised materials and provide renewed acknowledgment confirming completion of their review.

All policies within the handbook are supported by provisions that prohibit retaliation against individuals who raise concerns or report potential violations in good faith, including through established whistleblower or reporting mechanisms.

Monoflo Human Rights Policies

Human Trafficking: Monoflo's policy supports a commitment to mitigating forced and child labour by ensuring that all operational labour complies with applicable federal and state laws, including those related to human trafficking and slavery. Furthermore, this policy underscores Monoflo's dedication to ethical labour practices.

Child Labour Restrictions: Monoflo prohibits the hiring or employment of any person under the age of 18. By setting a clear age threshold, Monoflo ensures that it does not engage in child labour practices, helping protect young individuals from exploitation and abuse in the workforce.

Forced Labour: This policy ensures that wages are paid according to all applicable federal and state laws and regulations and prohibits any employee from not receiving compensation for time worked. Since all employees are in the United States, the policy aligns with United States legislation. This demonstrates a commitment to mitigating forced and child labour in alignment with the Act. By adhering to legal wage standards, Monoflo ensures fair compensation for all employees and supports that working at Monoflo is a choice.

Ethical Conduct

Avoid Conflicts of Interest: The company's policy on avoiding conflicts of interest demonstrates its commitment to ensuring that all employees observe high ethical standards and treat both customers and fellow employees fairly. By prohibiting personal or financial relationships with vendors or customers that could interfere with the company's best interests, the policy helps prevent unethical practices that could lead to exploitative scenarios.

Anti-Bribery & Anti-Corruption: Monoflo's Anti-Bribery & Anti-Corruption Policy reflects a commitment to ensuring business operations are conducted ethically and honestly. The policy mandates adherence to all relevant laws, both domestically and internationally, reinforcing the company's dedication to legal compliance and ethical conduct.

Code of Conduct

Monoflo's Standards of Conduct: This policy reinforces and establishes clear guidelines and consequences for major offences deemed inappropriate conduct or breaches of ethical practices. By outlining specific prohibited behaviours, such as unsatisfactory work performance, threats or acts of violence, breaching safety and security rules, and violating any other company policies, Monoflo ensures that all employees are held to company standards. A Code of Conduct creates transparency around the consequences of any form of exploitation or abuse within the workplace. By maintaining these standards, Monoflo aims to establish a culture of high performance, respect, and accountability.

Prohibited Retaliation Against Whistleblowers

Retaliation Against Whistleblowers Prohibited: Monoflo's policy for prohibiting retaliation against whistleblowers demonstrates its commitment to fostering a safe and transparent environment where employees can report unethical practices without fear of retribution. By explicitly stating that no officer, director, employee, or agent of the company shall take harmful action against individuals who report in good faith any alleged violations of law or regulation, the policy ensures that any potential instances of forced labour or child labour can be reported and addressed promptly. This protection encourages

employees to come forward with information about any unethical practices, thereby supporting the company's efforts to maintain compliance with legal standards and uphold ethical labour practices. By safeguarding whistleblowers, Monoflo ensures transparency and accountability within the organization.

Due Diligence Processes

Recruiting and Hiring

Monoflo strictly adheres to jurisdictional employment standards. As a condition of employment, new employees must present documentation establishing their identity and their legal right to work. Before an employee is hired, the candidate follows a recruitment process consisting of multiple steps which often include applying to a job posting, resume screening, interview(s), background checks and onboarding process. A selected candidate must submit a government-issued ID as a condition for employment. Information on the ID is used to verify that the candidate meets the legal requirements to work. Monoflo uses the US Government's E-Verify system to confirm employee eligibility and will not employ anyone who does not meet a jurisdiction's employment regulations.

Vendor Focus

Monoflo's relations with customers and vendors emphasize fair and open competition, building trusting relationships, and establishing reliable delivery.

Vendors are expected to meet the terms and conditions as stated on Monoflo purchase orders. One of the terms states that by accepting the order, the seller represents that the materials or goods ordered are produced in compliance with all applicable requirements of Federal, State, or local laws, rules, regulations, or ordinances, including, but not limited to, the Fair Labor Standard Act of 1938, as amended. This implies that if the vendor fails to comply with these laws and regulations, which include ethical standards related to labour practices, Monoflo has grounds to cancel the agreement.

To evaluate new vendors, Monoflo collects information from new vendors via a New Vendor Set Up document. This process helps Monoflo understand basic information about its vendors including company address, products supplied, ISO certification number, minority or woman-owned business, and presence of inspection processes or quality control plans. Monoflo has a field in the vendor set-up form that captures information related to a vendor's labour practices, specifically as they relate to modern slavery.

In 2025, 119 new vendors were onboarded. As part of Monoflo's onboarding requirements, each new vendor was required to complete a Vendor Set-Up document, which includes questions related to labour practices and modern slavery risks. Specifically, vendors are asked to confirm whether their business is compliant, or required to comply, with Bill S-211; whether their workforce includes individuals under the age of 18; and whether any workers have been subjected to forced labour, including work performed under threat to personal safety, under the menace of penalty, or without the worker's voluntary consent.

Vendor performance of existing vendors evaluates their ability to deliver goods on time and in the quality expected. Regular vendor reporting analyzes vendor delivery lateness.

Monoflo's engineering teams may occasionally visit processing plants to review the facilities and the supplier's ability to perform according to the specifications desired.

Supplier Questionnaire

To strengthen its vendor network's understanding of supply chain risks, Monoflo distributed a due diligence questionnaire to 24 key suppliers representing approximately 76% of total procurement. The questionnaire was designed to gather information to support the identification and management of risks related to forced labour and child labour.

The questionnaire included questions relating to suppliers' geographic operations and sourcing locations; visibility into and mapping of their supply chains; supplier screening and onboarding practices; contractual requirements imposed on subcontractors; compliance with applicable labour, health, and safety laws; minimum age requirements; use of temporary or foreign workers; recruitment practices and related fees; and the existence of internal policies and procedures addressing forced labour, child labour, whistleblowing, and human rights. Suppliers were also asked about governance and oversight mechanisms, employee training related to forced and child labour risks, prior identification or investigation of such risks, and any remediation or due diligence measures in place.

All 24 suppliers confirmed compliance with applicable laws and Monoflo's supplier requirements. Each supplier reported maintaining policies or processes to identify, prevent, and remediate forced or child labour. No instances of modern slavery were identified within these suppliers' reported operations or supply chains. Additionally, five key suppliers indicated that they have remediation measures in place, including due diligence policies and processes.

Supply Chain Risk Assessment

Industry of Operation

According to the 2022 report jointly published by the International Labour Organization, Walk Free, and the International Organization for Migration there is an inherent risk of forced labour in industries involving manufacturing ([Global Estimates of Modern Slavery Forced Labour and Forced Marriage, 2022](#)). Monoflo is aware that global manufacturers can be exposed to cases of forced labour or child labour.

Monoflo mitigates certain labour-related risks and modern slavery known to the industry since company production facilities are all located in the United States and abide by United States labour laws.

Risk Assessment

A risk assessment of Monoflo's procured goods and supplier countries has been completed. The risk assessment used two different indices to assess the inherent risk of forced labour and/or child labour related to countries and goods — (1) Walk Free's Global Slavery Index ([The Global Slavery Index, 2023](#)) and (2) the US Department of Labour's List of Goods Produced by Child Labor or Forced Labor ([The Bureau of International Labor Affairs, 2024](#)).

Country Risk

Monoflo's Tier 1 goods suppliers responsible for at least 1% of annual procurement, are located in the United States, Austria, Italy, Mexico, and China. According to the Walk Free Global Slavery Index, Mexico and China have a moderate prevalence of modern slavery. The United States, Austria and Italy have a low prevalence among their population, and their nations are considered to have a low vulnerability to

conditions that lead to modern slavery (see table below).

Tier 1 Supplier Country	Prevalence (per 1,000 people)	Vulnerability (score out of 100)	Share of Annual Procurement FY'2025
Austria	1.9 (Low)	8	7%
China	4 (Moderate)	46	2%
Italy	3.3 (Low)	22	3%
Mexico	6.6 (Moderate)	58	12%
United States	3.3 (Low)	25	77%

According to Walk Free Global Slavery Index released in 2023

Goods Risk

Monoflo produces plastic products. The raw materials associated with plastic production include crude oil, natural gas, and coal. Of the materials, only coal is known to carry inherent risks of forced labour and/or child labour in its supply chains. According to the US Department of Labour, coal from Afghanistan, China, Colombia, Mongolia, North Korea, Pakistan, and Ukraine, has inherent risks of forced labour or child labour. While Monoflo does not necessarily procure raw materials directly, it cannot be known if Tier 1 vendors purchase goods that are deemed to carry labour-related risks.

Overall, Monoflo's risk assessment highlights the importance of monitoring and mitigating the risks associated with forced labour and child labour in its supply chains beyond its Tier 1 vendors. By leveraging reliable indices and maintaining vigilance, Monoflo can identify risk associated with ethical procurement practices and inform its efforts to uphold its commitment to social responsibility.

Remediation and Loss of Income

To date, Monoflo has not identified instances of the use of child labour or forced labour within our operations or those of our suppliers. Monoflo is continuing to review its procurement practices to enhance the rigor of its due diligence processes including raising awareness with its suppliers. During this reporting year, we received zero (0) complaints about Human Rights contraventions. We will continue to monitor processes to ensure we do not conduct business with entities that violate human rights or labour rights, and we will immediately review the nature of our relationship with a business if evidence of forced labour or child labour is found.

Awareness Training

Monoflo has delivered training on Canada's Law to Fight Child & Forced Labour to all employees. Employees who completed the training are encouraged to disseminate the information and promote awareness across the organization, including supporting the onboarding of new employees. Training related to modern slavery risks is incorporated into Monoflo's onboarding and orientation processes to

ensure that new employees are made aware of relevant expectations, policies, and compliance obligations.

Monoflo also integrates training updates into its ongoing risk assessment processes. When new or emerging risks are identified, such as the addition of new countries, regions, or sourcing considerations, relevant employees are provided with targeted information and guidance to support their understanding of why these factors may present heightened risks of forced or child labour. This approach helps ensure that employees remain informed as Monoflo's risk profile evolves.

As part of the onboarding process, new employees review the Employee Handbook to understand the company's expectations and standards. Relevant sections addressing child labour and forced labour include policies on abuse, unethical business practices, violence and harassment, and employee conduct.

Monoflo recognizes the importance of continuously strengthening employee training related to modern slavery. As part of its commitment to ethical business practices, the company regularly assesses additional relevant training opportunities for its employees.

Monoflo actively monitors regulatory developments and guidance issued by Public Safety Canada, including any amendments or updates to Bill S-211. As requirements evolve, Monoflo will address additional training needs and ensure employees receive timely education on relevant changes to support ongoing compliance.

Assessing Effectiveness and Next Steps

To track Monoflo's effectiveness of procedures to mitigate the risk of forced labour and child labour, the following mechanisms are currently being reviewed:

Monoflo Activities

1. **Employee training:** Monoflo has conducted employee training on modern slavery risks and will continue assessing required audiences to ensure training needs are met.
2. **Harassment incidents:** Monoflo has zero tolerance for workplace harassment. All claims made regarding harassment will be reported to the direct Supervisor, Manager, Human Resources representative, or President, including a thorough investigation and action plan to resolve the issue in a timely manner.
3. **Policy Governance:** Monoflo has implemented Human Rights policies into its employee Handbook. Monoflo will continue to monitor the contents of and employee compliance with the Handbook and review relevant policies on an as-needed basis.

Supplier Activities

1. **Purchase Orders:** Monoflo has reviewed the clauses put on POs regarding zero tolerance for forced labour and child labour. The clause's wording is designed to specify the outcomes or disciplinary actions that should be taken in the event of an instance of forced labour or child labour being reported or discovered by Monoflo.
2. **Vendor Evaluation:** Monoflo collected questionnaire responses from key suppliers regarding

their labor practices. This initiative enhances Monoflo's understanding of its vendors' stated business practices. The data gathered through these questionnaires enables Monoflo to assess vendor performance across an additional dimension.

3. **Vendor Governance:** Elements of Monoflo's procurement processes and vendor operations will be assessed as required.

Monoflo is committed to increasing awareness of modern slavery as a human rights violation and refining internal processes to ensure greater global consistency and alignment with best practices.

As part of this effort, Monoflo will begin evaluating processes to enhance vendor visibility, complete training for select Monoflo roles, and seek closer collaboration with both vendors and clients to improve transparency in all tiers of the industry's supply chain.

Third Party Assessing Effectiveness Activities

A high-level effectiveness assessment was completed, and ongoing evaluation will be conducted in collaboration with a third party. The third-party review included an assessment of Monoflo's internal governance framework and key documentation, including relevant internal policies and procedures, the Supplier Code of Conduct, and the integration of forced and child labour considerations into purchasing practices, such as standard purchase order terms.

The assessment also reviewed processes related to the onboarding of new suppliers, including the use of supplier due diligence questionnaires and the collection and review of supplier representations regarding compliance with applicable laws and the existence of policies and procedures addressing forced and child labour. As part of the third-party effectiveness assessment, supplier responses captured through the New Vendor Set-Up documentation were reviewed to assess how labour-related information is collected, documented, and considered within Monoflo's supplier onboarding process. Supplier questionnaire responses were further reviewed to confirm alignment with Monoflo's supplier requirements and to assess the extent to which suppliers maintain relevant policies and risk management practices.

In addition, the review considered Monoflo's internal processes for employee onboarding and training, including how training related to forced and child labour risks is communicated to new employees and updated for existing employees as risks evolve. The assessment further examined risk identification and due diligence approaches, record-keeping and documentation practices, and materials supporting compliance with reporting requirements under Canada's Fighting Against Forced Labour and Child Labour in Supply Chains Act.

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.

Full Name

Signature

Title

Date

I have the authority to bind Monoflo International, Inc., and this report covers the financial year 2025 and applies to Monoflo International, Inc. and all entities considered reporting entities in terms of the Act and any controlling subsidiaries of Monoflo International, Inc., if they apply.