



BHI Canada  
24 Nixon Road  
Bolton, ON  
Canada  
L7E 1K3

PH: 905-951-2030  
FX: 905-951-2032

## **BHI Canada Meat Products Inc. – “Fighting Against Forced Labour and Child Labour in Supply Chains Act” Report for Financial Year 2023 (January to December)**

BHI Canada is pleased to submit its first report under the “Fighting Against Forced Labour and Child Labour in Supply Chains Act”. BHI Canada welcomes this important initiative by the Canadian Government, and we look forward to detailing the accomplishments so far and outlining the initiatives for the next reporting period.

“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: Rod Deibert

Title: President

Date: May 24, 2024

Signature:

A handwritten signature in blue ink, appearing to read "Rod Deibert", written over a faint blue line.

I have the authority to bind BHI Canada.



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## BHI Canada's structure, activities, and supply chains

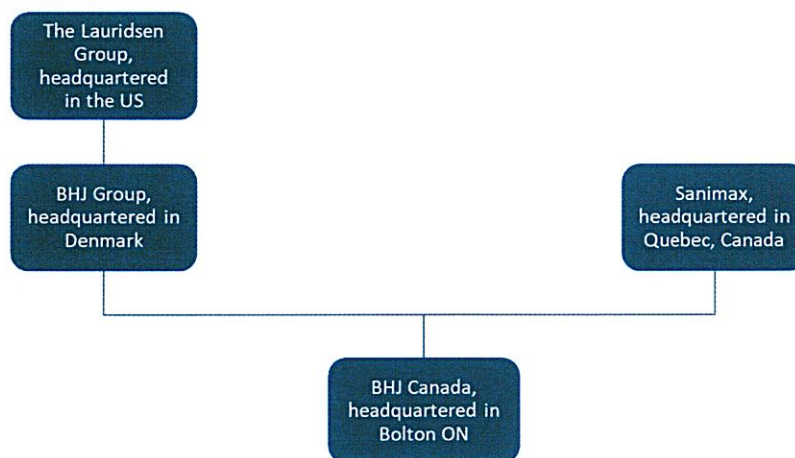
### BHI History

BHI Canada is an international supplier of raw materials and ingredients for the pet food and pharmaceutical industries.

BHI Canada was established in Calgary, AB, in 1991 and is headquartered in Bolton, ON. Over the years, we have expanded our presence and currently operate plants in Bolton and Calgary, as well as partner with processing installations in Eastern Canada. Today BHI Canada is part of the BHI Global Network consisting of production facilities and offices in Asia, Europe, North America, and South America, where we employ a total of more than 900 people.

The BHI group was founded in 1969 by Svend Beck, Peter Holm and Vagn Jacobsen. Their primary objective was sourcing and processing raw materials from Danish slaughterhouses and fish producers for the food and pet food industries. This continues to be our core activity here at BHI Canada today.

BHI Canada has strong ownership, which is a unique 50/50 partnership between BHI and Sanimax. The BHI group is headquartered in Denmark and is a subsidiary of The Lauridsen Group, Inc. (LGI), a U.S. company. Sanimax is a family-owned rendering company that has been in business since 1939 and is based in Quebec. This structure has been in place since 2004 and BHI Canada is the only member of BHI Group with this BHI/Sanimax shared-ownership structure.





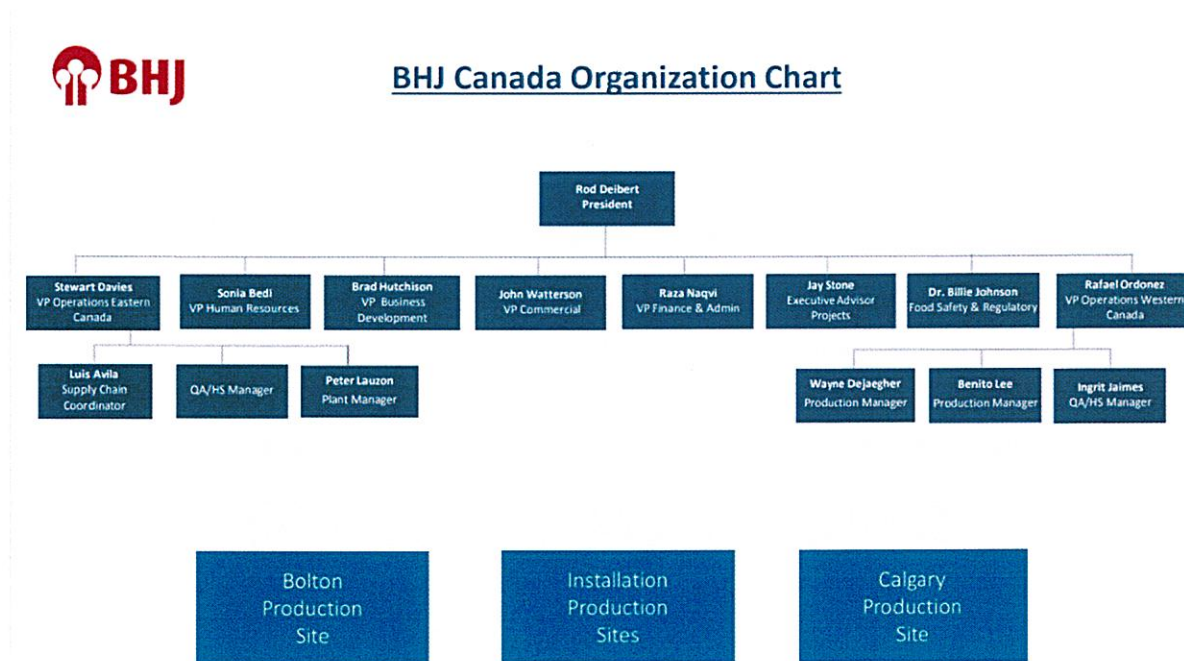
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## BHJ Canada's Business Operation

BHJ Canada's business operation and reputation are built upon the principles of fair dealing and ethical conduct of our employees and suppliers. Our reputation for integrity and excellence requires careful observance of the spirit and letter of all applicable laws and regulations, as well as a scrupulous regard for the highest standards of conduct and personal integrity.

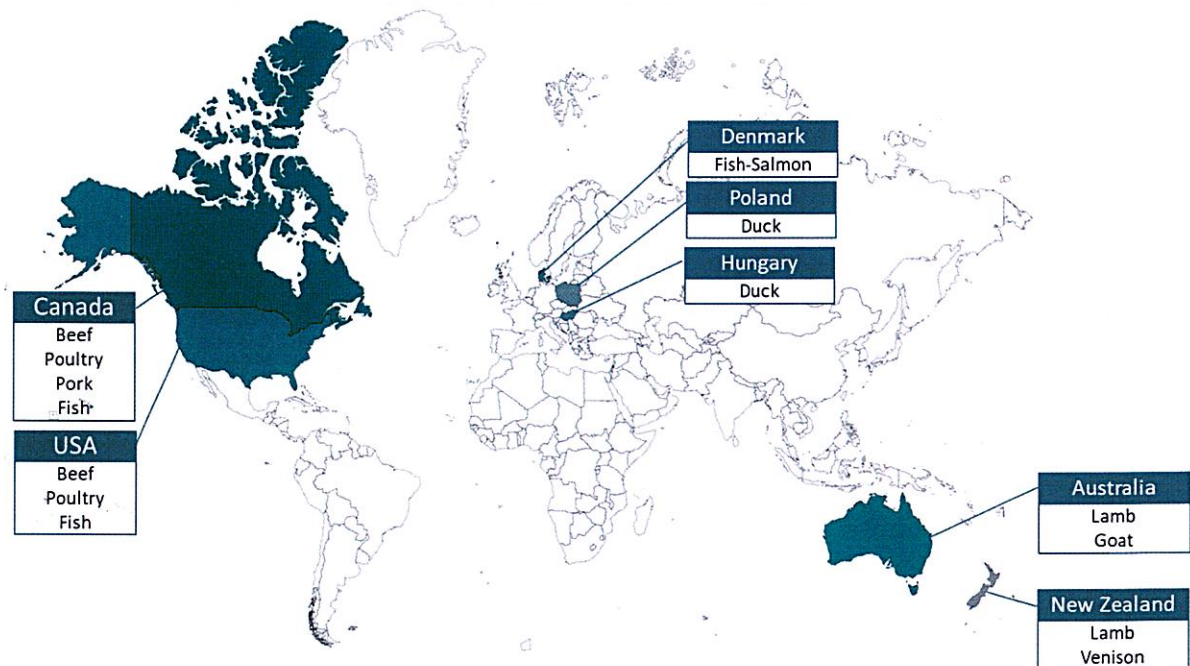
BHJ Canada will comply with all applicable laws and regulations and expects its directors, officers, and employees to conduct business in accordance with the letter, spirit, and intent of all relevant legislation and to refrain from any illegal, dishonest or unethical conduct. BHJ Canada's Leadership Team is detailed below.



## BHJ Canada’s Supply Chain

BHJ Canada sources its raw materials primarily in North America with the addition of raw materials from Australia, New Zealand, Denmark, Poland and Hungary. In accordance with the latest UN report, Global Estimates of Modern Slavery, published by the International Labour Organization, International Organization for Migration and international human rights group Walk Free (Global Slavery Index), some 50 million people were living in modern slavery.

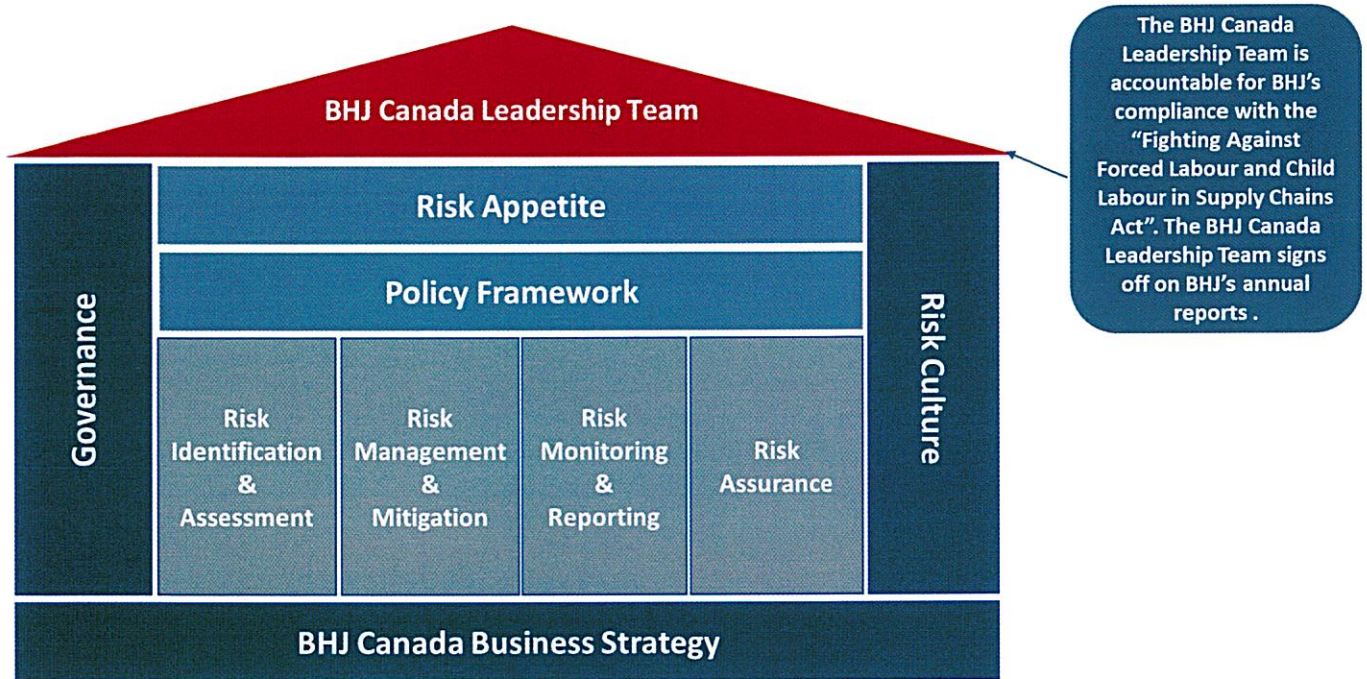
While BHJ Canada acknowledges that no country is free from forced labour and/or child labour, BHJ Canada does not procure raw materials from any high risk location.



As a business, BHJ Canada also consumes general categories of products, such as IT equipment, stationery and textiles (uniform) which may be procured from locations and industries which are classified as high risk. BHJ Canada is aware of the risk this poses and a thorough analysis of all product categories will be included in our due diligence processes, outlined in the following section.

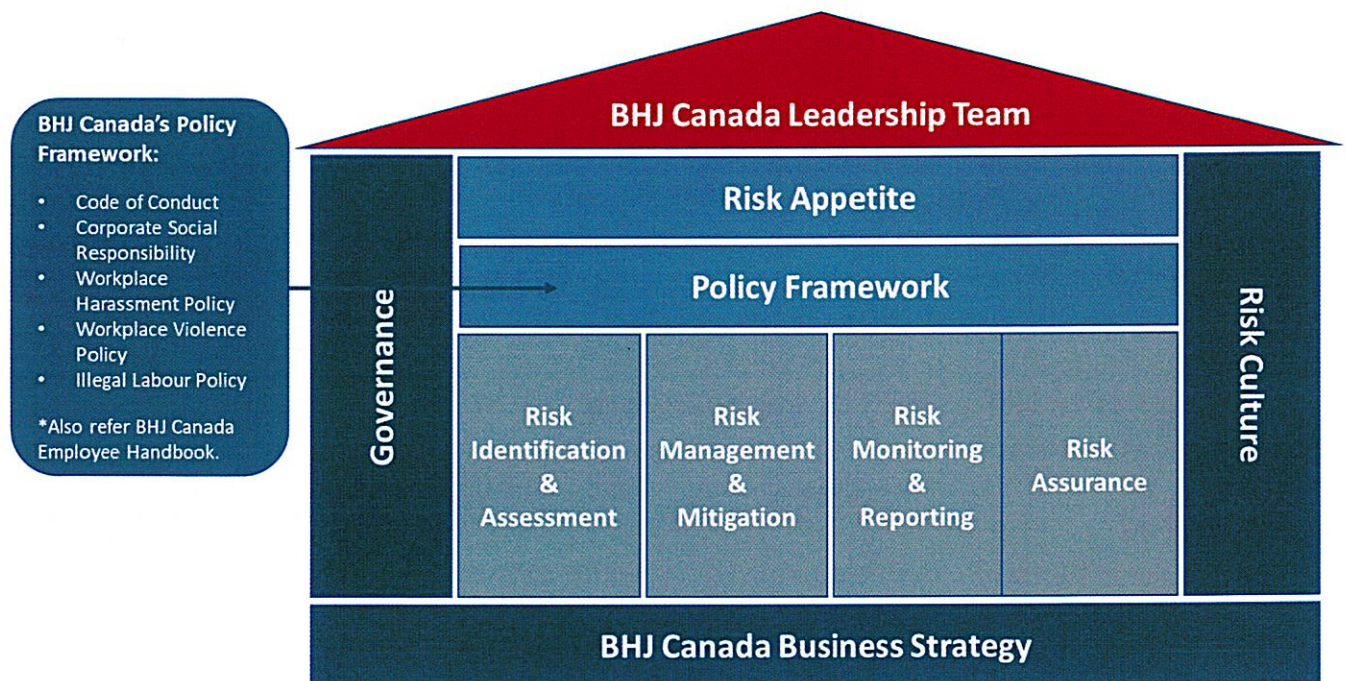
## Framework, Policies and Due Diligence Processes

BHJ Canada has developed a strong governance framework to ensure compliance with relevant legislations, including the “Fighting Against Forced Labour and Child Labour in Supply Chains Act”.



BHJ Canada’s governance framework outlines accountability, risk appetite, risk culture, business strategy, due diligence processes and policy framework.

BHJ Canada has implemented several different policies to provide guidance, promote consistency, ensure compliance, manage risks, establish accountability, and communicate the company’s culture and values to its employees, business partners and suppliers. The policies include a whistleblower mechanism which offers a safe way to report instances of misconduct while providing protection to those who do so.



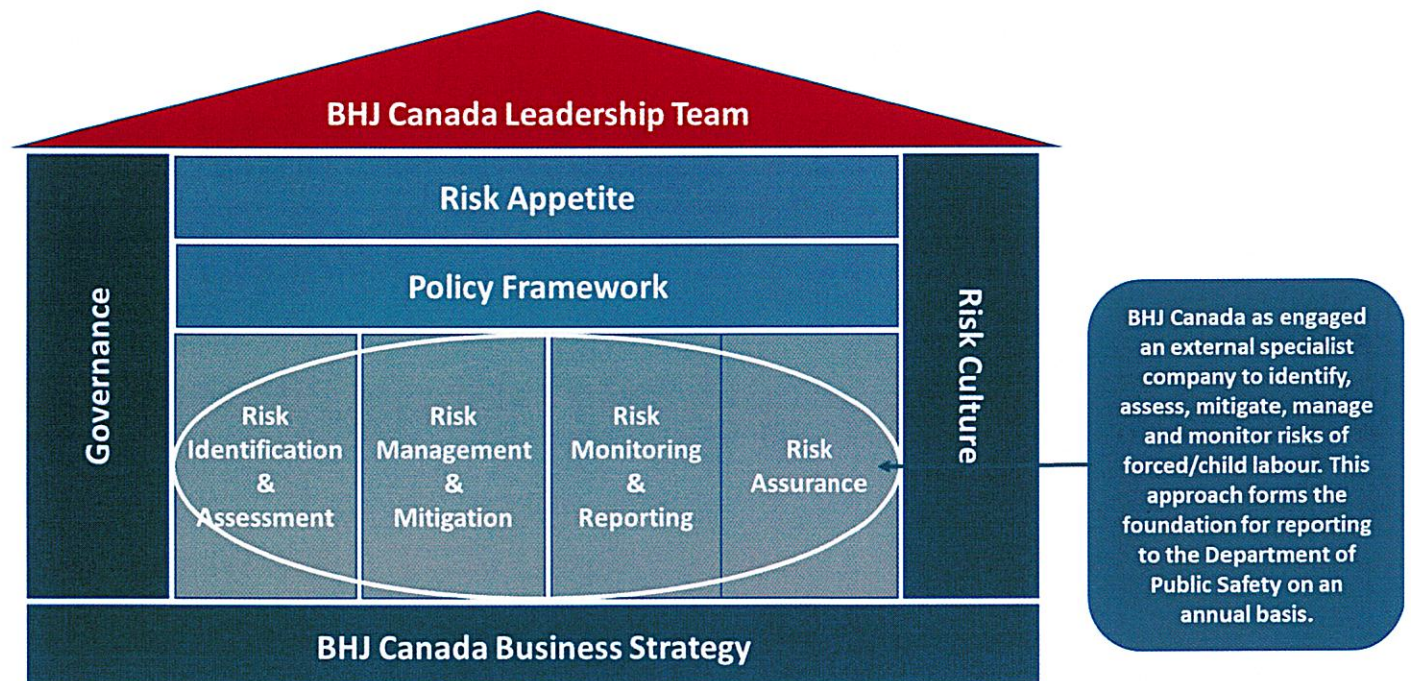
The following policies and standards are in place for its employees.

- BHI Canada Employee Handbook
  - The handbook details the company’s vision, mission and values and outlines the expected standards by which employees must conduct themselves.
- BHI Canada Workplace Harassment Policy
  - The policy includes examples of workplace harassment and reporting mechanism if encountered.
- BHI Canada Workplace Violence Policy
  - The policy outlines measures and procedures to protect employees from workplace violence and supporting programs.

BHG Canada has the following policies and standards in place for its employees as well as business partners and suppliers:

- BHG Canada Illegal Labour Policy
  - The policy outlines BHG Canada’s commitment to protecting individuals from the exploitations of illegal labour practices such as child labour, forced labour, slavery and human trafficking.
- BHG Canada Code of Conduct
  - The Code of Conduct outlines the business conduct and ethical behaviours, expected from business partners and suppliers.
- BHG Canada Corporate Social Responsibility
  - The policy outlines BHG Canada support of human rights, its commitment to the eradication of forced labour and child labour.

BHG Canada has engaged an external party, who specialises in compliance with modern slavery legislation globally, to support the organisation in building robust due diligence processes to identify, assess and mitigate any risk of forced labour and/or child in our operation and supply chain.





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BHI Canada is developing an action plan for addressing risks of forced labour and/or child labour and as a starting point, it has mapped its activities, including its supply chain, to understand where risks of forced labour and/or child labour may be found. BHI Canada has also reviewed its policies and Code of Conduct to ensure that they align with the “Fighting Against Forced Labour and Child Labour in Supply Chains Act”.

BHI Canada is currently developing its due diligence processes to identify, address and prohibit forced labour and/or child labour in its operation and supply chain. During the next reporting period, BHI Canada intends to conduct assessments of risks of forced labour and/or child labour in the organization’s activities and supply chains.

As part of the due diligence, BHI Canada will also develop a process for reporting any occurrence of forced labour and/or child labour to the Leadership Team.

In addition to developing the due diligence processes, BHI Canada has also commenced a process of socializing the legislative requirements to its staff, business partners and suppliers.

## **Training**

During the next reporting period, BHI Canada will implement training on forced labour and/or child labour to its employees. BHI Canada will also work with its business partners and suppliers to ensure that a) all parties are aware of their obligations under the Act and b) gather evidence that business partners and suppliers are conducting training to ensure broad awareness of requirements with the Act.

## **Effectiveness of Procedures**

BHI Canada acknowledges that the journey towards assurance of no forced labour and/or child labour in its operation and supply chain has only just commenced. However, BHI Canada will continually monitor its own employment practices as well as those of its partners, suppliers and all others conducting business on behalf of the organization in order to ensure compliance to ethical employment standards and protocols. Where a supplier or contractor is found to be in violation of the Act, BHI Canada will take prompt remedial action in order to address the violation, remedial measures may include termination of the business contract with the organization.





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BHI Canada intends to engage its supply chain by sending out questionnaires, relating to work practices, and evaluating the responses for any risks of forced labour and/or child labour. Where required, BHI Canada will conduct an audit of any supplier to understand the nature of the risk and if necessary, terminate its contract with the relevant party.

BHI Canada will collate the information, collated through supplier questionnaires, incidents reported through the whistleblower channel and any other relevant information and prepare regular reports for the Leadership Team. Such reports will also detail the effectiveness of BHI Canada's by tracking relevant performance metrics across BHI Canada's operation and supply chain.

## **Measures Taken to Remediate Forced Labour and/or Child Labour**

During the previous reporting period, January to December 2024, BHI Canada has not found any evidence of forced labour and/or child labour in its operation, nor its supply chain. However, BHI Canada acknowledges that eradication of forced labour and/or child labour is an on-going activity which needs to be embedded in the way we do business.

BHI Canada is committed to continuous improvement of its approach to the eradication of forced labour and child labour, and we look forward to sharing our progress with the Department of Public Safety Canada in the future.