

# 2023 REPORT ON FORCED LABOUR AND CHILD LABOUR

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## 1. Introduction

This report has been produced for the fiscal year ending September 30, 2023. It is published by Solisco Printing Inc., in compliance with the Fighting Against Forced Labour and Child Labour in Supply Chains Act (the “**Act**”) in force in Canada.

References in this report to “**Solisco**”, “**Company**”, “**we**”, “**our**” and similar terms mean Solisco Printing Inc.

## 2. Prevention and mitigation of the risks of forced labour and child labour

Solisco’s core values include expertise, sustainability, courtesy, respect, efficiency, innovation, quality and strategy to help make it a leader in its industry. In addition, Solisco is keen to respect the letter and spirit of the law, particularly those laws protecting individual rights and freedoms. Therefore, we have no tolerance for forced labour or child labour.

During our last fiscal year, we continued to act in accordance with our sustainability objectives because we are aware of the importance of the role we play within our ecosystem. Solisco wants to build a better world and believes that sustainability is key to ensuring a better quality of life by protecting our environment and the survival of our forests. Although our approach to date has prioritized environmental considerations, the following actions we continue to take across our business contribute to preventing the risk of human rights violations in our business operations and supply chains:

- We have continued to apply well-established processes for collecting information on worker recruitment and are carrying out the necessary checks to ensure that all recruited workers have given their consent.
- We have continued to provide protection for those who report violations of our internal policies and code, which may include human rights violations, so that anybody reporting such violations cannot be subject to retaliation.

This report describes these measures, with the understanding that we are currently evaluating new initiatives that could contribute to preventing the risks of forced labour and child labour.

## 3. Our commercial activities and supply chains

### 3.1. Our commercial activities

Founded in 1991, Solisco specializes in the printing and production of various products such as magazines, catalogues, circulars and promotional inserts. In addition to superior printing quality, Solisco also offers a complete range of integrated services to support its clients during the communication and marketing strategy stages.

To complete the projects of its clients in Canada (70%) and the United States (30%), Solisco counts on approximately 310 employees, 250 of whom are unionized employees.

The 400 magazine, book, flyer and catalogue titles produced each month are manufactured in two production facilities located in Scott and St-Jules in Beauce, Quebec. The offices of the division specializing in brand content creation and strategy, Maison 1608, are located in Quebec City, Quebec.

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Solisco's clients recognize the firm particularly for the superior quality of its products, which is ensured by the excellence of its quality control at the cutting edge of industry standards and of its on-the-job training programs offered to maintain and increase staff expertise.

We also stand out for our commitment to conducting our business responsibly and sustainably, as evidenced by our trusted certifications (FSC [Forest Stewardship Council®], PEFC [Programme for the Endorsement of Forest Certification™] and SFI [Sustainable Forestry Initiative ®]).

### 3.2. Our supply chain

In order to position itself as one of the largest printers in Canada and to be able to deliver to its customers the quality and flexibility they expect, the Company aims to develop long-term business relationships with its most important suppliers.

With the exception of the core printing and binding equipment, which are mainly acquired from large German manufacturers, our supply chain is made up of approximately 500 suppliers of goods and services located mainly in Canada and the United States.

The majority of our suppliers are reputable businesses based in Canada (79%), the United States (20%) and European countries where the risks associated with human rights violations are low (Germany, Belgium, Spain, France, Greece, Italy, Luxembourg, Netherlands, Portugal, the United Kingdom).

The raw material the Company uses most is paper. This resource is acquired from a few major manufacturers located mainly in Canada and the United States with whom we have established and continue to maintain long-standing relationships.

Other major supplies consumed include ink, staples, glue and aluminum plates, which are also mainly purchased from a few direct suppliers located in Canada and the United States with

whom we have been doing business for several years.

In addition to the items mentioned above, a multitude of service and supply companies, mainly local, Canadian or American (mechanical and electrical maintenance, transport, pallets, etc.), support the Company in its daily operations.

## 4. Due diligence policies and processes

Solisco a pour objectif de continuer d'innover et de s'adapter à un marché en perpétuel changement et de collaborer avec ses clients, fournisseurs et partenaires.

L'humanité et le respect sont au cœur des valeurs que nous véhiculons. Nos actions philanthropiques visant le soutien aux enfants, la santé, l'éducation et la protection de l'environnement témoignent de notre sens de l'engagement. Il est attendu des dirigeants de la Société que ces derniers donnent l'exemple d'une conduite éthique irréprochable et instaurent un environnement de travail reflétant tant la lettre que l'esprit de notre Code d'éthique et de conduite professionnelle.

### 4.1. Our policies

Our Code of Ethics and Professional Conduct sets out the business's expectations regarding the work environment, equal access to employment, anti-harassment practices and occupational health and safety. In the code, the Company is committed to providing clean, healthy and safe premises, and requires employees to follow safety rules and practices. The code specifies that any unsafe situation or practice or any accident must be reported as soon as possible to the director, his or her supervisor or the designated representative.

Our Harassment Prevention Policy emphasizes the right to work without having to suffer sexual, psychological or racial harassment, any form of harassment being unacceptable and not tolerated by the Company.

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Our Whistleblowing Policy discourages any practices contrary to our values and policies, including our Code of Ethics and Professional Conduct. The policy provides that any report will be treated confidentially, within the limits set by law, and that the Company will not tolerate reprisals being carried out against a person who, in good faith, has reported an actual or alleged infringement.

To ensure the implementation of our policies within the company, all our employees must sign a form upon hiring to attest that they will read and comply with them.

Although a supplier code of conduct has not been formally communicated and signed by our suppliers, they are expected to ensure that the practices surrounding the work of minors are adequately supervised and comply with the law and that forced labour, modern slavery and human trafficking are not part of their business practices. In the event that it is brought to the attention of the Company that these practices exist at a supplier, the business relationship with the latter would be reconsidered if the unacceptable practices are not abolished.

### 4.2. Due diligence process

Respect for human rights is one of the Company's core values, and all employees and suppliers are expected to conduct their affairs while also respecting human rights.

Additionally, to ensure that our workers have been recruited with their consent, we ask them to provide us with the required documentation to confirm their identity, age and compliance with applicable rules, including a piece of identification, a work permit if necessary, a void cheque, their social insurance number and a mailing address. We occasionally hire a small number of foreign workers from France or Morocco, and to do this we select reputable employment agencies. To these ends, we have developed and implemented for several years a hiring process to ensure our workforce suppliers respect best practices and comply with workplace

laws. Whether hiring local or foreign workers, our recruitment processes comply with the laws and regulations applicable in Quebec and Canada

## 5. Risk assessment and management of identified risks

Conscious of the fact that the manufacturing industry in certain regions of the world may be more at risk of human rights violations, we have chosen to do business with renowned suppliers located in Canada, the United States and Western Europe where the risk of human rights violations is low.

Since we have not started a formal analysis of risks in our supply chains and our suppliers have their own global supply chains, which poses visibility issues, no sphere of specific risk has been identified to date.

However, we believe that the long-term relationships we maintain with our suppliers tend to reduce the risks of forced labour and child labour in our supply chain. Additionally, we have not been informed of any specific instances of forced labour or child labour and, as such, no action has been taken to date to address forced labour or child labour or lost revenue in our operations or supply chain.

## 6. Training

Our internal policies are updated regularly to ensure that they reflect evolving legislation and the Company's values. Each update is accompanied by an employee training session on the modifications, and each amended policy must be signed by the employees who acknowledge having read it.

We have not yet provided training to our staff regarding human rights issues, but we are generally committed to acting ethically and with integrity in all our business dealings, and we have no tolerance for forced labour or child labour.

## 7. Assessing the effectiveness of our approach

Recognizing the complexity inherent in assessing the effectiveness of our human rights actions in our supply chain, we are aware of the importance of assessing our progress in reducing the risks associated with forced labour and child labour. For the moment, we have not taken specific measures in this regard, but we intend to continue regularly reviewing our policies and practices in general, with a view to constant improvement.

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This report was approved by the board of directors of Solisco Printing Inc. on May 27, 2024, in accordance with subsection 11(4)(a) of the Act and constitutes the report of the Company for the fiscal year ending September 30, 2023.

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

I have the power to bind Solisco Printing Inc.



**MARTIN AUCLAIR**  
Chief Financial Officer and Director  
Date: May 29, 2024