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E-4111 Andover Rd  
Bloomfield Hills, MI 48302  
(p) 248 901-0040  
(f) 248 901-0062

## **Annual Compliance Report on Fighting Against Forced Labour and Child Labour in Supply Chains Act**

This report was prepared by AJM Packaging Corporation (“AJM Packaging”), a non-resident importer BN 862679735RM0001 is a single report which covers the financial reporting period of August 1<sup>st</sup>, 2022 to July 31<sup>st</sup>, 2023. In this report, we will share the comprehensive measures we have implemented to identify, assess, and mitigate the risk of forced labour and child labour in our supply chain.

It is with great pride and a deep sense of responsibility that we present this report detailing our commitment and efforts to prevent forced labour and child labour within our supply chain. At AJM Packaging we recognize the gravity of the global challenge posed by forced labour and child labour and its impact on human rights. Our commitment to ethical business practices extends beyond mere compliance—it is a cornerstone of our identity.

As you delve into the pages of this report, we invite you to join us on this journey of continuous improvement and ethical leadership. Together, we can create a supply chain ecosystem that stands as a beacon of fairness, dignity, and respect for all.

As a leading manufacturer of high-quality branded and private label paper products, AJM Packaging recognizes that we must examine every stage in the life of our paper products to reduce the risk that forced labour or child labour is used at any step of the production of goods in Canada or elsewhere throughout our supply chain.



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AJM Packaging has taken the following steps during the previous financial reporting period:

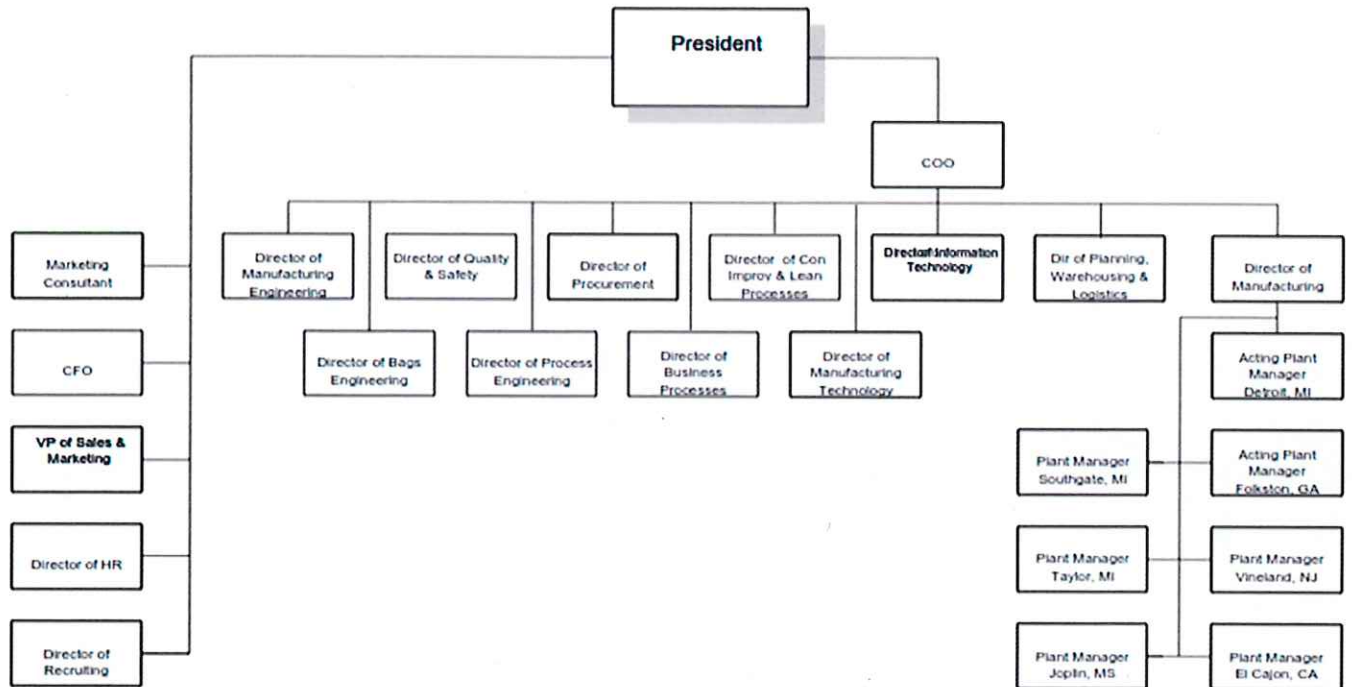
- Guided by our Sustainability Policy, AJM Packaging subscribes to the Forest Stewardship Council® (FSC®) (FSC-C189324) core labour requirements which includes but is not limited to:
  - *The organization shall not use child labour*
  - *The organization shall avoid all forms of forced and compulsory labour*
  - *The organization shall ensure that there is no discrimination in employment and occupation.*
- Our Tier 1 suppliers are vetted using a stringent vendor approval process including questionnaires that include child, forced and prison labour.
- AJM requires Tier 1 suppliers to complete an annual self-assessment evaluating their operations which covers ethical trade, specifically addressing forced labour and child labour regulatory compliance. We also monitor our suppliers through questionnaires and perform audits as deemed necessary.
- We have implemented an online reporting/grievance mechanism on our website for employees.

### ***Our Company and Activities***

AJM Packaging is a US corporation founded in 1957. Over the last 67 years, AJM has grown into one of the nation's leading manufacturers of high-quality branded and private label paper products including paper plates, bowls, cups, and bags.

Since 1957, AJM has continued to grow and expand our geographic footprint. We have since created thousands of manufacturing jobs in the USA with eight strategically located manufacturing sites employing approximately 2,650 employees.

All AJM Packaging's paper products are manufactured, printed, and packaged in the USA from raw materials ethically sourced within the United States and Canada.



AJM Packaging is professionally associated with the following:

FSC – Forest Stewardship Council

SFI – Sustainable Forestry Initiative

ASE – American Society of Employers

SHRM – The Society for Human Resource Management

IBT Local 337 – Local Union

SER Metro Detroit – Service, Employment and Redevelopment



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### ***Our Supply Chain***

It is essential for us to do business with suppliers that share our commitment to strong social, environmental, and economic performance. AJM Packaging recognizes that certain parts of our supply chain may carry risks of forced labour or child labour, therefore our direct supply vendors undergo a stringent approval process and are expected to complete a vendor questionnaire which includes ethical responsibilities.

Our paper products are made from 100% renewable resources. We proudly source all our paper from sustainably managed forests. Sustainably managed forests ensure that the health and diversity of the forest will be preserved for future generations. All our Tier 1 supplier raw materials are sourced within the United States or Canada.

To assess our effectiveness in ensuring that forced labour and child labour is not used within our supply chain, AJM Packaging participates in the following:

- Annual Auditing (SMETA)
- Annual Vendor Monitoring and Compliance Reporting
- Random Vendor Audits, and
- Vendor Self-Assessment ratings

Our current policy, at AJM Packaging, and due diligence in relation to forced labour and child labour, is embedded within our Sustainability Policy, and required for us to maintain and remain in compliance with SFI and FSC certifications.





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To assess our effectiveness in ensuring that forced labour and child labour is not used within our own activity, AJM Packaging abides by the Sustainability Policy as well as employs other check points used during the hiring process. We also partner with an external organization to conduct independent reviews of our actions and are audited annually to ensure we remain in compliance. These audits are based on the Ethical Trading Initiative (ETI) Base Code:

1. *Employment is freely chosen*
2. *Freedom of Association*
3. *Working conditions are safe and hygienic*
4. *Child Labour shall not be used*
5. *Living wages are paid*
6. *Working hours are not excessive*
7. *No discrimination is practiced*
8. *Regular employment is provided*
9. *No harsh or inhumane treatment is allowed*

AJM Packaging has also implemented an online reporting/grievance mechanism on our website for employees to report any issues or concerns. These reports are directed to our Human Resources Dept. and can be kept anonymous if desired.

To ensure that employees are equipped with the knowledge and skills necessary to identify and address issues related to child labour AJM Packaging has implemented mandatory training for all hiring managers and some employees in the Purchasing and Quality/Safety Department who manage vendor relationships - approx. 30 employees have taken the 1-hour course.

During the previous financial reporting period, AJM Packaging did not identify any instance of forced labour or child labour in our supply chain or any instances where vulnerable families lost income because of measures we had taken to eliminate the use of forced labour or child labour in our supply chain. If instances of forced labour or child labour arise within our activities or supply chain, AJM Packaging commits to taking remedial action.



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AJM is committed to the health and well-being of our customers, employees, and community. We dedicate significant resources to our environmental impact program to ensure we are doing our part for future generations.

At AJM Packaging Corporation, we remain steadfast in our commitment to ethical sourcing and supply chain integrity. Through rigorous monitoring, supplier engagement, and continuous improvement initiatives, we have implemented robust measures to prevent the scourge of forced labour from infiltrating our supply chain.

As detailed in this report, our efforts encompass comprehensive supplier vetting processes, ongoing audits, and partnerships with credible third-party organizations to ensure compliance with internationally recognized labour standards. Furthermore, we recognize the importance of transparency and accountability, which is why we are dedicated to openly sharing our progress and challenges in combating forced labour.

While we are proud of the strides we have made, we acknowledge that eradicating forced labour requires sustained vigilance and collaboration across industries and borders. We remain committed to this cause and will continue to work tirelessly to uphold the dignity and rights of all workers throughout our supply chain.

### **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.

Robert A Epstein  
President  
May 31, 2024

A handwritten signature in blue ink that reads 'Robert A. Epstein'.

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I have the authority to bind AJM Packaging Corporation.