

## Continuous Improvement Framework on Countering Forced and Child Labour

This action plan is focused on the prevention and elimination of forced and child labour within the supply chain. It implements a four-step approach: (1) Mandatory Training and Awareness Materials; (2) Supply Chain Mapping and Screening; (3) Grievance System; and (4) Assessing Risk and Effectiveness.

We have policies and procedures in place that focus on child protection, anti-forced and child labour contractual clauses, anti-forced and child labour standards, and codes of conduct. These policies serve as guidance for identifying, addressing, and prohibiting forced and child labour internally and within our supply chain. FGF Brands has implemented these policies and procedures in its *Supplier Code of Conduct*.

### (a) *Mandatory Training and Awareness Materials*

The supply chain and procurement team, which are centralized between FGF Brands and Wonder Brands, are charged with making contracting and purchasing decisions. This team participates in training and reviews awareness materials. They are also required to validate with suppliers (including ‘distributors’) that they are not engaged in any forced or child labour. This validation requirement is by way of adherence to our *Supplier Code of Conduct*, which is communicated to suppliers before onboarding. Suppliers are required to consent to the *Supplier Code of Conduct* and return a signed copy attesting to same.

### (b) *Supply Chain Mapping and Screening*

The mapping exercise consists of reviewing the network of suppliers and distributors (both as an internal and external initiative). Additionally, we familiarize ourselves with the supplier’s worker recruitment practices and their existing internal controls. A screening process has been incorporated and takes effect during the supplier onboarding process. It involves identifying potential instances of forced or child labour by employing methods of due diligence. These due diligence methods include spotting potential involvement of forced and child labour by attending supplier presentations, participating in site visits, and reviewing all information provided by the supplier. Team members are also required to confirm with the supplier whether there are any known risks of forced and/or child labour both verbally and by way of the *Supplier Code of Conduct*.

We will work with suppliers to ensure alignment with our expectations regarding human rights, labor laws, and working conditions. If necessary, we may engage independent third parties to verify the working conditions of suppliers and their subcontractors.

### (c) *Grievance System*

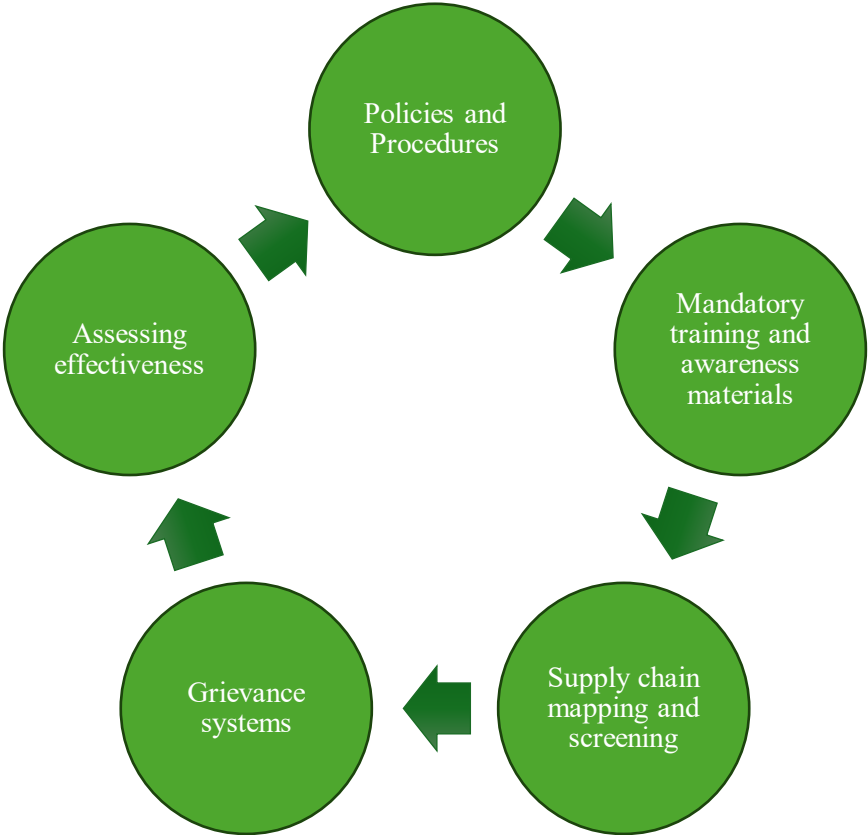
We have a communication plan in place for reporting incidents and/or risks related to forced and child labour. Lines of communication between team leaders, members, external stakeholders, suppliers, and distributors allow for an easy reporting channel. External concerns may be reported here: [contact information](#). Indications of forced and child labour within our supply chain must be escalated to upper management immediately.

### (d) *Assessing Risk and Effectiveness*

We conduct annual reviews of our policies and procedures to determine their effectiveness. This review includes assessing incidents and/or grievance reports that may have occurred during the past financial year. We also review worker recruitment practices and existing internal controls, both internally and across our network of suppliers and distributors, to identify the risks of forced and/or child labour.

In the event a grievance is reported, or forced or child labour is detected, FGF Brands has several remediation measures to pursue such as formal apologies or where appropriate, compensation packages. We also reserve the right to terminate agreements with non-compliant suppliers, and to institute legal proceedings if warranted.

Policies and procedures are reviewed on a consistent basis to ensure that gaps are resolved. Relevant team members must also receive ongoing training to align with any changes to our policies and procedures, which also improves the mapping and screening process and strengthens the grievance system. A key element of the grievance system is the line of communication that exists between team leaders and members allowing for an easy reporting channel.



This action plan cycle constantly renews to the beginning with the next round of assessments looking for any risk or indication of forced and child labour. This process lowers our exposure to forced and child labour to the maximum possible extent.