



# Andrew Hendriks and Sons Greenhouses Partnership

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Forced Labour and Child Labour in Supply Chains Assessment

May 14, 2024

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## Introduction

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Andrew Hendriks and Sons Greenhouses Partnership ("Hendriks Greenhouses" or the "Company") is a General Partnership registered under partnership act and having jurisdiction with our head office in Beamsville, Ontario. The financial year for which we are reporting is October 1st, 2022, to September 30th, 2023., and there are no other reporting requirements under other jurisdictions. Our company continuously seeks realistic, yet innovative ways to carve out our path in the future of sustainable development. We strive towards having minimal to no impact on the environment by reducing waste and lowering energy costs, while ensuring responsible practices in our daily production.

## Structure

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Hendriks Greenhouses is a General Partnership registered under partnership act (Partnership account no. 877089102 RZ0001). Andrew Hendriks and Sons Greenhouses Partnership (the "Partnership") was formed on September 1, 2003, and carries on a greenhouse operation. As per the Bill S-211 reporting requirements, our entity meets two out of the three compliance thresholds related to revenue and asset sizes. We operate Greenhouses providing creative floral solutions for our customers. At the end of 2023, we had 185 employees within Canada.

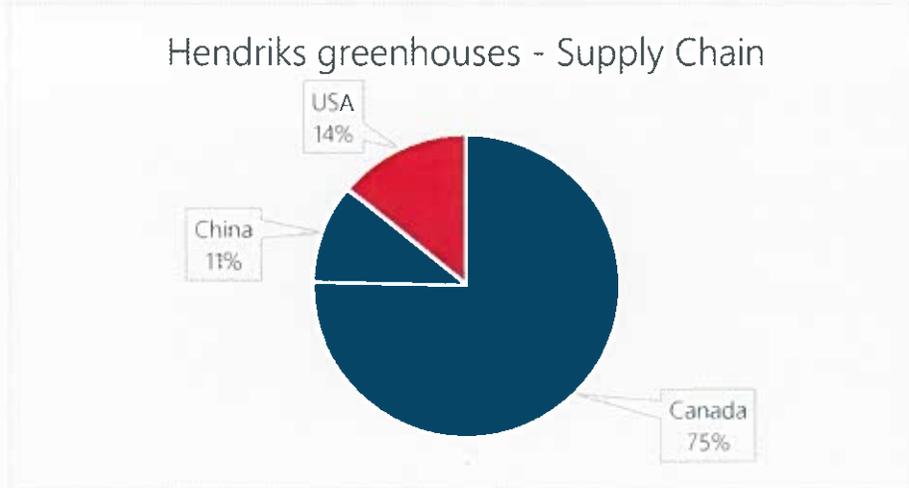
## Activities

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At Hendriks Greenhouses, we operate Greenhouses and provide creative floral solutions for customers. We are North America's leading supplier of indoor gardens. We are involved in developing flowers and small plants from our greenhouse and sell them to customers for development of gardens.

## Supply Chain

The figure below presents the makeup of our supply chain by country, exclusive of any country that makes up  $\leq 1\%$  of total spend. Hendriks Greenhouses has around 204 direct suppliers from 3 countries, 2 of which are outside of Canada.



## Policies & Due Diligence

### Current Policies

Hendriks Greenhouses prioritizes the creation of an inclusive, safe, and respectful work environment for all employees. This can be reflected in key policies outlined in the company's Employee Handbook, which underscore its commitment to employment equity, heat stress management, and the prevention of harassment and discrimination in the workplace.

### **Employment Equity Policy**

Hendriks Greenhouses firmly adheres to the principle of equal employment and advancement opportunities for all employees and potential hires. The Employment Equity policy emphasizes the company's commitment to fostering a workplace free from discrimination and harassment, in accordance with the Canadian Human Rights Act. It ensures that all individuals, regardless of background, are treated with dignity and respect, and are provided with fair opportunities for professional growth and development.

### **Harassment and Discrimination prevention policy**

Hendriks Greenhouses maintains a zero-tolerance stance against workplace harassment and discrimination. The Harassment and Discrimination Policy outlines the company's dedication to providing a work environment where all employees are treated with respect and dignity. Workplace harassment, defined as any unwelcome conduct that is offensive or demeaning, is strictly prohibited and can originate from any individual within or outside the company. The policy encourages employees to report any incidents of harassment or discrimination, assuring them of fair and timely investigation and resolution of complaints. By fostering a culture of accountability and support, the company ensures that all employees feel safe and valued in their workplace interactions.

### **Heat Stress Policy**

Recognizing the importance of employee health and safety, Hendriks Greenhouses has implemented a comprehensive Heat Stress Policy. This policy aims to prevent and mitigate heat-related illnesses by establishing clear roles and responsibilities for addressing heat stress in the workplace. During periods of extreme heat, such as in the months of July and August, the company implements measures to modify work hours and reduce greenhouse activities to minimize exposure to high temperatures. By prioritizing the well-being of its workforce, the company demonstrates its commitment to creating a safe and healthy work environment.

### **Due Diligence**

Hendriks Greenhouses operates under the Federal Government Temporary Foreign Worker Program, employing temporary foreign workers. The company adheres to stringent legal standards, ensuring that these workers receive equitable treatment and protection under Canadian law. Hendriks Greenhouses is committed to upholding the rights and protections of temporary foreign workers, as mandated by law. As evidenced by the Report of Audit Conducted by Employment and Social Development Canada (ESDC)/Service Canada, the company has been found compliant with the conditions outlined in the Immigration and Refugee Protection Regulations (IRPR) sections 209.3 and 209.4. This indicates a robust adherence to the legal framework governing the employment of temporary foreign workers, ensuring their fair treatment and well-being within the workplace.

In addition to its commitment to legal compliance, Hendriks Greenhouses demonstrates ethical responsibility in its supply chain management. The company prioritizes sourcing goods from local trusted vendors with whom it has established long-term relationships. By predominantly sourcing from vendors in Canada and the USA, the company mitigates the risk of forced and child labor entering its supply chain.

# Risk Identification & Management

## Countries of Operations and Risk

Using the *Walk Free Global Slavery Index* and the *U.S. Department of Labor List of Goods Produced by Child Labor or Forced Labor*, we had a risk assessment conducted on our countries of operations. These indexes use in-depth research in forced labour and child labour and indicate the risks associated with each country. We found that there were low inherent risks of forced labour or child labour in Canada. Hendriks Greenhouses has all its 185 employees located in Canada.

Country	Employees as of 2023 (#)	Inherent Risk per Country
Canada	185	Low

## Countries of Suppliers and Risk

Using the *Walk Free Global Slavery Index*, we had a risk assessment conducted on the countries of suppliers. This index uses in-depth research in the area of forced labour and child labour and indicates the risks associated with each country. We found that there were low inherent risks of forced labour or child labour in Canada, USA and UK and extreme inherent risks of forced labour or child labour in China. **This does not mean that evidence of forced labour or child labour was found to support this risk analysis** but that there is an increased inherent risk which necessitates closer scrutiny by Hendriks Greenhouses to ensure those risks do not flow through from our suppliers' countries.

Country	Suppliers (#)	Supply (%)	Inherent Risk per Country
Canada	170	85%	Low
United States of America	23	12%	Low
China	6	3%	Extreme
UK	1	1%	Low

## Type of Goods Procured and Risk

Using the *Walk Free Global Slavery Index*, we had a risk assessment conducted on the types of goods of our suppliers. This index uses in-depth research in the area of forced labour and child labour and indicate the risks associated with each type of good. We found that 24 suppliers make up 80% of Hendriks Greenhouses total spend for the year 2023. The goods identified include Flowers/Plants, Ceramic articles, Glass articles, textile articles, metal articles the risk analysis found high inherent risks for forced labour and child labour from the raw materials of these goods. **This does not mean that evidence of forced labour or child labour was found to support this risk analysis** but that there is an increased inherent risk which necessitates closer scrutiny by Hendriks Greenhouses to ensure those risks do not flow through to the goods we procure. This includes investigating where our suppliers receive their goods, continuing to monitor the types of goods we procure, and the risk of forced labour and child labour associated these goods.

Goods	Inherent Risk per Good	Country	% Share	Inherent Risk per Country	Overall Risk
Flower/Plant	High	Canada	45.9%	Low	High/Low
Flower/Plant	High	USA	11.8%	Low	High/Low
Ceramic article	High	Canada	8.7%	Low	High/Low
Packing boxes	Low	Canada	8.2%	Low	Low
Others small Articles	Low	Canada	6.4%	Low	Low
Glass article	High	USA	4.1%	Low	High/Low
Metal article	High	China	2.6%	Extreme	High/Extreme
Textile articles	High	Canada	2.1%	Low	High/Low
Other small articles	Low	China	1.8%	Extreme	Low/Extreme
Glass article	High	Canada	1.1%	Low	High/Low

## Remediation Measures

At Hendriks Greenhouses, we commit to remediate human rights incidents and violations that occur within our operations and communities. During the year 2023, we received zero (0) complaints about Human Rights' contraventions internally and externally. 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 cease business with a business if evidence of forced labour or child labour is found.

## Remediation of Forced & Child Labour & Vulnerable Family Income Loss

Hendriks Greenhouses is in the process of discovering the full depth of our supply chain and is continuing to review procurement practices to enhance the rigor of our due diligence processes, including raising awareness with suppliers. To date, Hendriks Greenhouses has not identified or suspected any instances of forced labour or child labour within our operations or those of our suppliers. Consequently, no remediation measures were required in respect to forced labour or child labour.

## Awareness Training

Hendriks Greenhouses does not have training in place on the topic of child labour or forced labour. However, of the policies identified above relevant to this Act, Hendriks Greenhouses does incorporate training for new employees of the Employee Handbook. When onboarding new employees, part of this process includes reviewing the Employee Handbook to ensure the individual understands the company's standards and expectations. Hendriks Greenhouses recognizes the opportunity to enhance employee training relevant to this Act, therefore, will be evaluating applicable training for staff in the foreseeable future.

## Steps Taken to Prevent & Reduce Risk of Child Labour or Forced Labour

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Hendriks greenhouses has taken several measures to lower the risk of child and forced labour in supply chain. These steps are outlined below:

**Commitment to Risk free Sourcing:** Hendriks Greenhouses prioritizes sourcing from local trusted vendors and maintaining long-term relationships, thereby mitigating the risk of forced labour and child labour within its supply chain.

**Employee Well-being:** The company's policies, such as the Employment Equity Policy, Harassment and Discrimination Prevention Policy, and Heat Stress Policy, reflect a dedication to creating a safe, inclusive, and respectful work environment for all employees.

**Legal Compliance:** Hendriks Greenhouses operates within the guidelines of the Federal Government Temporary Foreign Worker Program, ensuring equitable treatment and protection for temporary foreign workers under Canadian law.

**Risk Identification and Management:** Through thorough risk assessments of countries of operations, suppliers, and types of goods procured, the company identifies and addresses potential risks associated with forced labour and child labour.

**Remediation Measures:** Hendriks Greenhouses commits to addressing any human rights incidents or violations that occur within its operations or communities.

While the company has made progress in addressing forced labour and child labour risks, there is a recognition of the need for continuous improvement and the following will be implemented going forward:

- Develop employee training relevant to this Act for applicable employees to increase awareness of forced and child labour.
- Integrate anti-forced labour and/or child labour standards/conduct into internal policies (employee handbook and training) as well as supplier due diligence procedures (supplier agreements and questionnaires).
- Monitor our key suppliers for evidence of forced labour and child labour through questionnaires and attestations for annual sign-off.

At Hendriks Greenhouses, we are committed to creating a work environment that values and respects every employee, while upholding their rights and well-being. Furthermore, we are unwavering in our stance against forced labour and child labour practices. Our dedication to ethical business practices extends beyond our walls as we continue our work to keep forced labour and child labour out of our supply chains.

## 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 Hendriks Greenhouses. 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: Andrew Hendriks

Date: May 24/24

Title: Director

Signature:

I have the authority to bind 'Hendriks Greenhouses.'

