

Bill S-211 – Report on Forced Labour and Child Labour in Canadian Supply Chains Report Guidance / Template Document

Supply Chain Transparency Report

Reporting Entity Information

- **Legal Name of Reporting Entity(s):** Belvika Trade & Packaging Ltd.
- **Financial Reporting Year:** December 31, 2023
- **Identification of Revised Report (if applicable):** n/a
- **Business Number(s) (if applicable):** 139732044
- **Identification of Joint Report (if applicable):** Group Krisda-Stevia of Canada Inc.
- **Reporting Obligations in Other Jurisdictions:** n/a

Entity Categorization According to the Act

- **Category:** A place of business in Canada; does business in Canada; has assets in Canada; meets size-related thresholds (\$20M+ in assets in one of the last two financial years, \$40M+ revenue in one of the last two financial years, average of at least 250 employees in one of the last two financial years)
- **Sector/Industry:** Packaging

Location

- **Headquarters Location:** Mississauga, Ontario, Canada
- **Other Key Locations (if applicable):** 8 Packaging facilities located across the Greater Toronto Area of Ontario.

Steps Taken to Prevent and Reduce Risks of Forced Labour and Child Labour

During the previous financial year, our Company diligently addressed the risks associated with forced labour and child labour. We recognize the importance of ethical practices within our supply chain and have implemented the following measures:

- **Supplier Due Diligence:**
 - Conducted thorough due diligence on our suppliers to assess their labour practices.
 - Evaluated supplier compliance with international labour standards, including the prohibition of forced labour and child labour.
- **Risk Assessment:**
 - Identified high-risk areas within our supply chain where forced labour or child labour could occur and identified for further investigation.
 - Prioritized these areas for targeted risk mitigation efforts.
- **Supplier Engagement and Training:**
 - Engaged in open dialogues with suppliers to communicate our expectations regarding labour rights.
- **Traceability and Transparency:**
 - Traced the origin of raw materials and components to ensure transparency.
- **Labour Audits and Monitoring:**
 - Verified that key supplier partners and potentially higher risk suppliers are listed in the SEDEX database (a platform that assists companies manage their supply chains on improving sustainability, ethical sourcing and meeting ESG standards). Should a key

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supplier or potentially higher risk supplier not be on the SEDEX list, further investigations and ongoing monitoring of their labour practices will be required by the Company.

- **Remediation and Corrective Actions:**
 - Promptly addressed any violations or non-compliance discovered during audits.
 - Implemented corrective actions, including supplier education and process improvements.
- **Collaboration with Industry Partners:**
 - Participated in industry forums and initiatives to share best practices and learn from others.
 - Collaborated with other businesses to collectively combat forced labour and child labour.
- **Internal Policies and Reporting:**
 - Developed and communicated internal policies explicitly prohibiting forced labour and child labour.
 - Regularly reviewed and updated these policies to align with evolving standards.

By taking these proactive steps, we aim to create a responsible and sustainable supply chain that respects human rights and ensures fair treatment for all workers involved in the production of goods.

1. Structure, Activities, and Supply Chains

1.1 Structure

Legal Structure and Classification:

- Our company operates as a Corporation.

Organizational Structure:

- Our organizational structure includes various departments and functions.
- Ultimate decision-making authority is held by the Leadership Team which is comprised of Mario Golias (President and CEO), Ted Vavouleas (VP, Sales), Bryan Knebel (CFO) and Alex Antle (VP, Operations).

Organizational Mandate or Role:

- We play a critical role in the confectionary and snack food sector by providing packaging services to Consumer-Packaged Goods (CPG) brands.

Employee Count:

- **In Canada:** We employ 382 full-time employees as well as up to 1000 temporary workers on a seasonal basis.

Partner Organizations and Group Membership:

- We collaborate with several partner organizations, including CPGs, SEDEX and Ecovadis.
- Belvika maintains several Quality Control certifications.

Control of Other Entities:

- Our company exercises control over Group Krisda-Stevia of Canada Inc., which is a small business that is an importer and distributor of non-sugar-based sweeteners, with its head office located in Markham, Ontario.

1.2 Activities

Production, Manufacturing, Processing, Sale, or Distribution of Goods:

- Our Company provides a comprehensive set of packaging capabilities primarily for CPG brands sold throughout North America.

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Locations of Operations:

- Our Company, and entities under our Company's control (to the extent they have a reporting requirement under this act) have operations only in Canada.

1.3 Supply Chains

Supply Chain Overview

- Belvika's supply chain is characterized by close collaboration between the co-packer and the client, with an emphasis on flexibility, efficiency, and quality assurance throughout the supply chain process.
- **Raw Material Sourcing:**
 - Belvika purchases packaging material and to a lesser extent bulk material from customer approved suppliers and based on specifications provided by the customer.
 - Material Examples: Packaging materials such as cardboard, boxboard and labels, as well as certain ingredients for manufacturing.
 - Regions of Origin:
 - Cardboard and Boxboard: Canada & US
 - Labels: Canada & US
 - Ingredients: Canada & US
- **Manufacturing/Production:**
 - Belvika undertakes the manufacturing or assembly process as per client requirements. This may involve filling, sealing, labeling, and packaging products.
 - Example Processes: Filling and sealing the containers, labeling, assembling product components to the customer's specification.
 - Regions of Operation: Ontario, Canada
- **Packaging Design and Development:**
 - Belvika may offer design and development services for packaging materials and labeling, collaborating closely with customers
 - Example Services: Package design, label design, prototype development.
- **Logistics and Distribution:**
 - Belvika works with its customers to prepare the finished package product for pick up by the customer and delivery to its own distribution centers.
 - Example Activities: Warehousing, inventory management.
 - Regions of Operation: Ontario, Canada

2. Policies and Due Diligence Processes

Embedding Responsible Business Conduct (RBC):

At Belvika, we are committed to responsible business conduct throughout our operations and supply chain.

Identifying and Assessing Adverse Impacts:

- **Risk Assessment:**
 - We collaborate with our business partners to understand the risks associated with their supply chains and assess best practices.

Ceasing, Preventing, or Mitigating Adverse Impacts:

- **Supplier and Customer Engagement:**

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- When adverse impacts are identified, we engage with suppliers to address them.
- We work collaboratively to find solutions, improve practices, and prevent recurrence.
- **Equal Opportunity:**
 - Belvika is committed to creating and maintaining an equal opportunity workplace, free from discrimination at work, which is highlighted to employees within our employee handbook.

Tracking Implementation and Results:

- **Monitoring and Reporting:**
 - We track the implementation of our due diligence measures.
 - Regular reports provide transparency on progress and challenges.

Communicating How Impacts Are Addressed:

- **Stakeholder Engagement:**
 - We communicate openly with stakeholders, including our business partners, customers, suppliers and the general public through our website.
 - Transparency is essential in addressing concerns and sharing progress.

- Joint efforts lead to effective remediation.

Integration with ESG Initiatives:

- Belvika has engaged the Green Project to conduct an inventory of ESG metrics and identify any key risk areas for Belvika.

3. Forced Labour and Child Labour Risks

Identified Risks:

At Belvika, we have conducted a thorough assessment of our activities and supply chains to identify areas that carry a risk of forced labour or child labour. We believe there is no direct risk associated with our operations, however, we have identified the following potential risks in the supply chain:

- **Product:**
 - Root product is generally received from customers in bulk. Belvika will assemble the product into primary or secondary packaging and ship the completed product back to the customer for sale to the end consumer.
 - As a confectionary packager, Belvika does package cocoa products such as chocolate bars and related products, sourced and provided by its CPG customers.
 - Cocoa sourcing remains a potential challenge due to the historical prevalence of child labour in some cocoa-producing regions.
 - Belvika's customers have implemented Child Labour Monitoring and Remediation systems to ensure their suppliers address any potential labour risks.

4. Remediation Measures

Belvika is generally one step removed from this potential child labour risk, as the Company does not generally take ownership of the cocoa product at any stage of the supply chain. Belvika works with and relies on its large CPG customers to ensure that they have identified and addressed any potential child labour risks in the supply chain and the CPGs are mitigating any potential risks.

On an exception basis, Belvika has one direct supplier relationship, where we purchase product from a CPG-approved supplier of cocoa product. We have noted this relationship as an identified risk in the

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previous section and are satisfied that our business partner has implemented its own Child Labour Monitoring and remediation system.

5. Remediation of Loss of Income

No measures have been taken in this area.

6. Training

At Belvika, we recognize the importance of honesty, fairness and business integrity. All employees receive documents including, but not limited to, the Belvika Employee Handbook and Code of Conduct / Business Ethics upon hiring, which outline the standards which we expect all employees to adhere to under the Ontario Human Rights Code.

7. Assessing Effectiveness

No actions have been taken to assess the effectiveness in preventing and reducing risks of forced labour and child labour in their activities and supply chains.

8. Signed 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.”

Mario Golias
President and CEO
May 31, 2024

Mario Golias

“I have the authority to bind Belvika Trade & Packaging Ltd.”