



# Blueberries

Medical Corp.

## **BLUEBERRIES MEDICAL CORP.**

**For the financial year ended December 31, 2023**

## **ANNUAL REPORT**

***Fighting Against Forced Labour and Child Labour in Supply Chains Act***

## **INTRODUCTION**

This report (the “**Report**”) is prepared by the management of Blueberries Medical Corp. (the “**Company**”) and its subsidiary pursuant to Canada’s new *Fighting Against Forced Labour and Child Labour in Supply Chains Act* (the “**Act**”). This report outlines the actions taken by the Company to prevent and reduce the risks of forced labour or child labour in its business operations and supply chains during the financial year commencing January 1, 2023 to December 31, 2023 (the “**Reporting Period**”).

The Company recognises its obligations to combat forced labour and child labour and committed to preventing such human rights abuses from occurring internally and within its supply chain. Our core values of honesty, integrity, accountability and compliance with law remain the cornerstone in conducting our business. The Company has a zero-tolerance approach to modern slavery and human trafficking in our Company. If instances arise where the expectations are not met, we will strive to respond in an appropriate manner.

This Report is a joint report made on behalf of the Company and its subsidiary, Blueberries S.A.S. (collectively, the “**Reporting Entities**”) which we have determined are reporting entities under the Act for the reporting period. The use of the words "Blueberries", "we", "us" and "our" refers to the Company and Blueberries S.A.S. The information provided in this Report generally applies to the Company and its subsidiary, except where differences are noted.

## **STRUCTURE AND ACTIVITIES**

The Company was incorporated in Canada under the *Business Corporations Act* (British Columbia) on March 15, 2013, and is headquartered in Vancouver, Canada. The Company’s shares are listed on the Canadian Securities Exchange (the “**CSE**”) under the trading symbol “**BBM**”, Frankfurt Stock Exchange (the “**FSE**”) under the trading symbol “**10A**” and OTCQB Market under the ticker symbol “**BBRRF**”.



During the Reporting Period, the Company owned 100% of the shares in Blueberries S.A.S., a fully licensed cannabis and cannabis-derived products producers and distributor in Colombia in which the Company's carried out its operation. The Company's principal strategic business lines are focused on the production, distribution and sale of cannabis and cannabis-derivative products in Columbia and internationally.

As of the end of the Reporting Period, the Reporting Entities employed approximately 8 employees, all located in Colombia.

## **SUPPLY CHAIN**

Blueberries's supply chain consists of direct and indirect: (i) suppliers that provide cannabis inputs, product ingredients, cannabis products, packaging materials, and other raw materials and components; (ii) service providers that source the foregoing, and that cultivate, manufacture, produce, process, package, and transport cannabis and cannabis products on our behalf; and (iii) suppliers of goods and services, such as production machinery. All cannabis inputs are sourced in Colombia and United States.

In total, we currently procure goods and services from approximately 10 suppliers.

The Company structures its arrangements with suppliers based on the needs of the business, and these can be either short or long-term relationships. Purchases are governed either by negotiated supply contracts (i.e., for flower), or purchase order terms and conditions. In all cases, suppliers are assessed thoroughly.

## **POLICIES**

### **Code of Business Conduct and Ethics**

Our Code of Business Conduct and Ethics (the "Code of Ethics") applies to Blueberries's directors, managers, officers, employees and consultants and provides guidelines for maintaining the integrity, reputation, honesty, of the Company. The Code of Ethics covers a wide range of business practices and procedures, including setting out our expectations with respect to, among other things, compliance with laws, rules and regulations, acting in good faith, discrimination and harassment, and health and safety.

### **Hiring Protocol Policy**

According to the hiring protocol policy, these are the main rules for the employment of minors:

This policy prohibits employing individuals under 18 years old in hazardous or physically demanding jobs, such as mining or tasks involving heights or railway crossings. Furthermore, it lists specific jobs deemed risky for minors and outlines exceptions for those enrolled in technical education programs. Prohibitions include work affecting morality, such as in brothels or scenes involving pornography or violence. Night work



is barred for minors, with exceptions for those aged 16 to 18 if it doesn't hinder education or health. Moreover, it mandates employers to maintain accurate records of minor employees, including birth dates and hours worked.

### **Whistleblower Policy**

Our Whistleblower Policy applies to Blueberries' directors, managers, officers, employees and consultants and provides a confidential method for any employee of Blueberries to report a suspected violation of the Code of Ethics directly to the Chair of the Company's Audit Committee (the "Chair"). The Whistleblower Policy sets out the procedure that the Chair shall follow in investigating reported violations and protects employees who report suspected violations from reprisals.

### **DUE DILIGENCE PROCESSES**

Our due diligence process starts with our Code of Conduct and Whistleblower Policy which together require employees to consistently exercise honesty, good work ethics and common sense, acting in good faith, with responsibility and due care and diligence, and require them to report illegal or unethical behaviours. These policies and expectations have built responsible business conduct practices into Blueberries's policy and management systems.

The Company is focused on continuous improvement and will continue to seek ways to further improve our internal processes and find opportunities to leverage third parties as part of our broader risk management framework.

### **ASSESSING AND MANAGING RISKS OF FORCED LABOUR AND CHILD LABOUR IN OUR BUSINESS AND SUPPLY CHAINS**

Blueberries's greatest risk exposure to forced labour and child labour is through suppliers, and the primary sources of these risks come from procuring goods in higher-risk geographies and sectors. We recognize the potential risks of forced labour and child labour in our supply chain. The Company has taken steps to identify the areas of the business and supply chains that may carry a risk of forced labour or child labour, which include:

1. Products sourced directly from Colombia and U.S.;
2. Products sourced through distributors located in Colombia who source materials from Germany; and
3. Suppliers who provide third-party products and services such as growing flowers and co-manufacturing.

Blueberries uses a risk-based approach to assess and manage its risk of forced labour and child labour in its supply chain. Our methodology is to identify risks in our supply chain by considering country risk



indicators, reliance by suppliers on a low skilled workforce, and dangerous or undesirable work involved in producing goods/services. Where appropriate, we may conduct additional diligence on a potential supplier to better understand potential risks or concerns. The decision to engage with a supplier, after conducting this due diligence is made by our senior leadership team on the advice of the applicable business groups and when applicable, legal advice.

Blueberries's internal workforce is mainly full-time employees. Currently, temporary labour is not utilized at facilities but in the case it is utilized is carefully vetted by the procurement, legal, and facilities teams. As such, we consider there is a low risk of forced labour or child labour in our direct operations.

Blueberries will continue to monitor supplier activities efficiently and effectively with respect to modern slavery, and high-risk categories and countries and such measures and processes may change in the future as we learn more.

## **REMEDIATION**

During the Reporting Period, we did not identify any incidents of forced labour or child labour in our activities or supply chain. We therefore did not take any measures to remediate any incident of forced labour and child labour or to remediate any loss of income to vulnerable families resulting from measures taken to eliminate the use of forced labour or child labour in our activities or supply chains.

## **TRAINING**

To date, we have not conducted any formal training or awareness as they relate to child or forced labour within our supply chains. By the end of fiscal 2024, Blueberries intends to provide awareness training to our team members with authority to enter into supply arrangements and/or purchase materials.

## **EFFECTIVENESS ASSESSMENT**

The Company is committed to addressing the risks of forced labour and child labour in our business and supply chains. While we have a number of measures aimed at reducing the risk that forced labour or child labour as described above, we have not yet taken any specific actions to assess the effectiveness of those measures. As our internal processes, systems and supply chains evolve, we will continue to take steps to monitor and assess the effectiveness of our actions in preventing and reducing risks of forced labour and child labour in supply chains.



## **BOARD APPROVAL**

The contents and delivery of this Report were approved by the Board of Directors of Blueberries Medical Corp. on May 30, 2024.


### **Attestation**

In my capacity as director of Blueberries Medical Corp. and not in my personal capacity, I make this attestation in accordance with the requirements of the Act.

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 this Report is true, accurate and complete in all material respects for the purposes of the Act, for the reporting year listed above.

I have authority to bind Blueberries Medical Corp. and Blueberries S.A.S.

**BY ORDER OF THE BOARD OF DIRECTORS  
of Blueberries Medical Corp.**

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FACUNDO GARRETON  
CEO and Director

Date: **May 30, 2024**

