



May 31, 2024

## 2023 REPORT ON BILL S-211, AN ACT TO ENACT THE FIGHTING AGAINST FORCED LABOUR AND CHILD LABOUR IN SUPPLY CHAINS ACT AND TO AMEND THE CUSTOMS TARIFF

November 1, 2022 to October 31, 2023 FINANCIAL REPORTING YEAR

### 1-INTRODUCTION

This Report is published pursuant to the Canadian “Fighting Against Forced Labour and Child Labour in Supply Chains Act” and sets out the steps that Canadawide Inc. (“Canadawide”) has taken to fight forced and child labour in our business and supply chains. The Report refers to the 2023 fiscal year end and covers activities from November 1 2023 to October 31 2024. As a federally incorporated business, we are required to include our statement with our financial statements on May 31<sup>st</sup> 2024.

Canadawide is committed to upholding the rights and well-being of children and ensuring compliance with all applicable laws and regulations regarding child labor. This policy outlines our commitment to prohibiting child labor in our operations and supply chain.

We recognize our responsibility to respect and protect the human rights of all people who are part of or interact with our business. We are committed to acting ethically and with integrity and transparency as we continuously strive to put systems and processes in place to safeguard against any form of forced or child labour in our supply chain. We expect our business partners and suppliers and their contractors to uphold these same principles within their operations.

This policy applies to all employees, contractors, suppliers, and partners of Canadawide who are involved in the sourcing, distribution, and procurement of our products and services.

## **2. RISK OF FORCED OR CHILD LABOUR AND STEPS TAKEN TO PREVENT AND REDUCE RISK OF FORCED /CHILD LABOUR**

Canadawide recognized that there could be a risk of forced labor in the following areas.

- Supply chain vendors from developing countries pose several risks concerning child labor.
- Many developing countries have weak labor laws, and enforcement is often lax.
- Supply chains can be complex, with multiple layers of subcontractors. Child labor might be hidden within these layers making it difficult to monitor.
- High levels of poverty and unemployment can force families to send their children to work to supplement household income.

Our supply chain is extensive and includes sourcing products from both domestic growers and international suppliers. Our key sourcing regions include:

- North America (Canada, USA, Mexico)
- South America (Chile, Peru, Brazil)
- Europe (Spain, Italy, Netherlands)
- Asia (China, India, Vietnam)

Canadawide recognized that there could be a risk of forced labour in certain regions of its supply chain. Most of these materials and components are provided by suppliers with which Canadawide has long-term contracts.

Canadawide seeks long-term relationships with major suppliers for the delivery of materials and components to build and deliver fabric to our customers. Within its supply chain, Canadawide strives to have relationships with large, reputable, and ethical suppliers.

Nonetheless, we acknowledge that certain of our suppliers operate in regions that have inherent risks of child labour and forced labour practices and that the supply chain of our suppliers may extend into regions potentially facing greater risk of forced labour and child labour.

### **3. Structure, Activities and Supply Chain**

#### STRUCTURE

Canadawide is owned and operated privately and is incorporated under the Canada Business Corporation Act with their headquarters located at 1370 De Beauharnois Street West, Suite 200, Montreal, Quebec, H4N1J5.

#### ACTIVITIES

Founded by the Pitsikoulis family in 1983, Canadawide Fruit Wholesalers Inc is a leading wholesaler of fruits and vegetables in Canada. Our operations are based in Montreal, Quebec, and we supply a wide range of fresh produce to retailers, and food service providers across the

country.

Canadawide is one of Canada's leading wholesaler, importers, distributors and packers of fresh conventional and organic fruits and vegetables. We are recognized for our quality, and, over the years, we have consolidated our reputation on a national scale. By establishing lasting partnerships based on transparency and reliability, we distinguish ourselves by our exceptional service and our constant dedication to innovation. As business advisors, we adapt to our customers' needs and offer customized solutions for packaging styles and designs.

Canadawide is more than a company, it's a family. Many of our team members have been with us for decades, because we are committed to the growth and development of our employees.

At Canadawide, we specialize in packaging premium conventional and organic fresh fruits and vegetables. Our FrescaDel packaging division has been present in national retailers for several years, which has allowed us to increase our reputation with customers.

Respect for the environment is at the heart of our values, and we continually strive to find innovations to reduce our ecological footprint. We respond to high demand by offering eco-responsible packaging, all designed with recyclable components, some even being compostable or made from 100% recycled materials.

At FrescaDel, we understand the crucial importance of packaging in preserving the freshness and quality of fruits and vegetables. This is why we offer packaging services tailored to the specific needs of each client. Whether you need bespoke packaging to meet specific presentation or preservation requirements, or are looking for high quality standard packaging solutions, our team is here to help. We are flexible and able to adapt quickly.

Canadawide is committed to maintaining the highest standards of quality and food safety, using the latest production technologies to address growing consumer concerns about product safety, quality and traceability.

As a holder of the following certifications: CanadaGap Option D certification, CFIA certification and Ecocert Canada organic certification, we are committed to meeting rigorous standards in all our operations.

## **OUR SUPPLY CHAIN**

The following provides an overview of our Supply chain:

### ***a) Sourcing and Procurement***

Growers/Farmers: The initial stage involves sourcing fruits and vegetables from growers and farmers in various countries. These suppliers might be small-scale farmers or large agricultural enterprises.

### ***b) International Logistics***

Products are transported from the exporters to Canada. This can involve multiple modes of transport:

- Air Freight: For perishable items requiring quick delivery.
- Sea Freight: For larger quantities that are less time-sensitive but more cost-effective.
- Land Transport: To and from ports or airports, involving trucks or rail.
- Customs and Border Control: Clearing customs in both the exporting and importing countries, which involves documentation, inspections, and payment of duties and taxes.

### ***c) Receiving and Warehousing***

- Port/Airport Operations: Once the products arrive in your country, they are offloaded at the port or airport.
- Customs Clearance: Ensuring all paperwork is in order and duties are paid to release the goods.
- Transportation to Warehouses: The goods are then transported to your warehouses using trucks.
- Warehousing: Storing the products in temperature-controlled warehouses to maintain freshness. This stage includes sorting, quality checks, and sometimes further packaging.

### ***d) Distribution to Customers***

Order Processing: Receiving and processing orders from retailers, supermarkets, and other customers.

- Logistics and Delivery: Coordinating the delivery of orders to customers.
- Own Fleet: Using our trucks and drivers for delivery.
- Third-Party Logistics: Outsourcing delivery to specialized logistics companies.
- Inventory Management: Keeping track of stock levels to ensure a continuous supply and avoid both overstock and stockouts.

## **4. COMPANY POLICIES AND PROCESSES IN RELATION TO FORCED AND CHILD LABOUR.**

**a) Vendor monitoring**

During the 2023 reporting period, Canadawide Fruit Wholesalers Inc. we started reaching out to some of our 800+ suppliers audits, to determine if they have an existing child labor policy.

**b) Hiring practices and labour practices**

Canadawide is committed to complying with all federal and provincial laws and regulations related to child labor, including but not limited to:

- The Canadian Labour Code
- Employment standards legislation in each province and territory
- International Labour Organization (ILO) conventions ratified by Canada
- Any other relevant laws and regulations pertaining to child labor

Canadawide prohibits the use of child labor in any form. We define child labor as the employment or involvement of individuals under the age of 15 (or the legal minimum working age as defined by applicable laws) in any work that deprives them of their childhood, potential, dignity, or which is harmful to their physical or mental development.

Where permitted by law, Canadawide may employ individuals above the minimum working age but below the age of 18. However, special provisions will be made to ensure that the work is not hazardous and does not interfere with their education, health, or overall development.

**c) Due Diligence in Supply Chain**

Canadawide expects all suppliers, contractors, and business partners to adhere to the same standards regarding child labor. We will conduct due diligence to assess and mitigate child labor risks in our supply chain, including through audits, supplier agreements, and collaboration with industry initiatives and organizations.

**d) Reporting and Non-Retaliation**

Employees and stakeholders are encouraged to report any suspected instances of child labor promptly. Canadawide will not tolerate retaliation against any individual who reports concerns or participates in investigations related to child labor.

**e) Employee Code of Conduct**

Our Code of Conduct outlines our commitment to ethical business practices and compliance with all labor laws. All employees and suppliers are required to adhere to this Code.

**f) Supplier Code of Conduct**

- Our supplier code of conduct specifically addresses the expectations we have of our suppliers concerning labor practices, including the prohibition of forced labor, child labor, and human

trafficking. We have updated our Supplier Code of Conduct to include more stringent requirements on labor practices.

**g) Performance indicators**

To measure the effectiveness of our efforts in combating modern slavery, Canadawide Fruit Wholesalers Inc. monitors the following performance indicators:

- Compliance Rate: Measuring the percentage of suppliers found to be in compliance with our Supplier Code of Conduct.
- Reports of Non-Compliance: Recording and addressing any reports of non-compliance with our policies related to modern slavery.

To measure the effectiveness of our efforts in combating modern slavery, Canadawide Fruit Wholesalers Inc. monitors the following performance indicators:

- Number of Supplier Audits: Tracking the number of supplier audits conducted annually.
- Compliance Rate: Measuring the percentage of suppliers found to be in compliance with our Supplier Code of Conduct.
- Reports of Non-Compliance: Recording and addressing any reports of non-compliance with our policies related to modern slavery.

Canadawide Fruit Wholesalers Inc will undertake an assessment and due diligence process to identify and mitigate risks of modern slavery within our operations and supply chain. This process includes:

- Risk Mapping: Identifying high-risk regions and sectors within our supply chain where modern slavery is more likely to occur.
- Supplier Audits: Conducting regular audits of high-risk suppliers to ensure compliance with our Supplier Code of Conduct.
- Supplier Questionnaire: Requiring suppliers to complete a detailed questionnaire about their labor practices and any measures they have in place to prevent modern slavery.

## **6. TRAINING PROVIDED TO EMPLOYEES ON FORCED LABOUR AND CHILD LABOUR**

During the reporting period, formal employee training was not provided with regards to forced labor and child labor issues. We recognize that potential risk of forced labor and child labor resides may reside in a part of our supply chain and we are committed to ensuring that we engage with suppliers that have high ethical standards and that do not engage in such practices. As a result, we will provide such training to employees on this key topic soon.

We recognize the importance of training and education in combating modern slavery. To this end, Canadawide Fruit Wholesalers Inc. has implemented the following initiatives:

- Require suppliers to provide documentation and proof of adherence to all our standards.
- Develop and implement a Supplier Code of Conduct that explicitly prohibits child labor.
- Focus on building long-term relationships with suppliers who demonstrate a commitment to ethical practices.

## **7. REMEDIATION AND EFFECTIVENESS ASSESSMENTS TO ENSURE FORCED AND CHILD LABOUR ARE NOT BEING USED IN OUR OPERATIONS AND SUPPLY CHAIN.**

Canadawide is committed to conducting its business operations ethically, responsibly, and in compliance with all relevant laws and regulations. We recognize the importance of protecting the rights and well-being of children and will take proactive measures to prevent and address child labor in our operations and supply chain.

Throughout our various interactions, we have never encountered issues suggesting the existence of child or forced labour. As a result, there have been no occurrences requiring taking any measures to remediate any forced labour or child labour. As such, we have not taken any measures to remediate the loss of income to the most vulnerable families that results from any measure taken to eliminate the use of forced labour or child labour in supply chain related activities.

Due to insufficient and/or our lack of formal practices and timeliness, we acknowledge that we have not been fully effective during the reference period in ensuring that forced labour and child labour are not being used in our supply chains as per the S-211 guidelines. We are however committed to formalize our practices and will implement initiatives soon.

## **9. APPROVAL AND 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 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.

  
George Pitsikoulis  
President.

MAY 31<sup>st</sup> 2024