

2023 ANNUAL REPORT

<u>CIELO VISTA FARMS INC.</u> Fighting Against Forced Labour and Child Labour in Supply Chains Act

768 Highway 77, Learnington, ON

Financial Reporting Year: January 1 to December 31, 2023 – Initial Report Business Number: 813532371 Other Entities Covered by this Report: Skyberry Farms Inc. (Business number 827990276) Chosen Fresh Farms Limited (Business number 828836122)



INTRODUCTION

Cielo Vista Farms Inc., together with its sister companies Skyberry Farms Inc. and Chosen Fresh Farms Limited, are deeply committed to conducting operations in a just, ethical, and upright manner. Cielo Vista Farms Inc. aims to prevent and reduce the risk of forced labour or child labour is used at any step of the production of goods used in its operations.

11(1) STEPS TAKEN TO REDUCE RISKS OF FORCED LABOUR AND CHILD LABOUR

The Entities covered by this report have developed and implemented compliance management systems in relation to health and safety, food safety, environmental and other legislative requirements. This includes having written agreements with suppliers and/or contractors, which include assurances are provided that products and/or services meet legislated employment and other legal requirements.

The Entities strive to establish business relationships with reputable, responsible, and ethical suppliers and/or contractors. The systems currently implemented are only available in relation to several Tier 1 suppliers and service providers, and they are not specific to the prevention of forced labour and child labour.

11(3)(A) - STRUCTURE, ACTIVITIES AND SUPPLY CHAINS

The Entities covered by this report are private corporations engaged in the growing and packing of greenhouse vegetables. Supply chains involve the sourcing of input materials such as seeds, young plants, growing medium, agricultural inputs, packaging materials and so on. Most of the products are sourced locally from Canadian suppliers, however some products are imported.

The workforce is comprised of temporary foreign workers, regular employees, as well as from contractors and service providers. Written agreements are in place with temporary foreign workers as well as contractors and service providers, which reference the requirements of the prevailing employment legislation.

11(3)(B) – POLICIES AND PROCESSES RE: FORCED LABOUR AND CHILD LABOUR

All policies and processes that are currently implemented by the Entities are not directly related to forced labour and child labour and would be captured by other compliance management systems.

11(3)(C) - RISK ASSESSMENT OF BUSINESS AND SUPPLY CHAINS

The Entities have only recently become aware of the Fighting Against Forced Labour and Child Labour in Supply Chains Act. As such, no formal risk assessment has been completed.



11(3)(D) - STEPS TAKEN TO REMEDIATE ANY FORCED LABOUR OR CHILD LABOUR

The Entities have not identified any forced labour or child labour in our activities and supply chains.

11(3)(E) - STEPS TO REMEDIATE ANY LOSS OF INCOME

The Entities have not identified any forced labour or child labour. Therefore no such measures have been taken.

11(3)(F) – TRAINING PROVIDED ON FORCED LABOUR AND CHILD LABOUR

The Entities have only recently become aware of the Fighting Against Forced Labour and Child Labour in Supply Chains Act. As such, no formal training on forced labour and child labour has been provided to employees. Employees are provided orientation training and regular refresher training which is designed to meet the requirements of the prevailing employment legislation.

11(3)(G) – How THE ENTITY ASSESSES ITS EFFECTIVENESS

The Entities have only recently become aware of the Fighting Against Forced Labour and Child Labour in Supply Chains Act. As such, no formal systems have been developed to assess effectiveness with respect to ensuring that forced labour and child labour are not being used in its business and supply chains.

Report Approved by: Company Directors

Billy Teichroeb, Director of Operations