



Emerge Commerce Ltd.

Fighting Against Forced Labour and
Child Labour in Supply Chains Act

Fiscal Year 2023



Introduction

EMERGE is committed to conducting our business in a responsible and ethical manner, respecting the dignity and rights of all people, and protecting the environment. We do not tolerate forced labour or child labour in our companies or in those of our suppliers and subcontractors. We hold ourselves to the highest standards and expect our directors, officers, team members, suppliers and subsidiaries to act with integrity and comply with the laws, regulations and rules that apply to our companies in the jurisdictions where we operate. If instances arise where these expectations are not met, we will respond in an appropriate manner.

In line with the requirements of the Act, this Report describes the activities of EMERGE, and its wholly owned Canadian subsidiaries that are reporting entities under the Act, to limit the risks of forced and child labour in our business and supply chains.

This Report covers activities from January 1, 2023, to December 31, 2023 (the “Reporting Period”). This is a joint report under the Act for the following reporting entities (the “Reporting Entities”):

- EMERGE Commerce Ltd. (“Emerge Commerce”),
- Emerge Brands Inc. (“Emerge Brands”),
- truLOCAL Inc. (“truLOCAL Canada”),
- Evandale Caviar Inc. o/a Buytopia.ca (“Buytopia”),
- 2161184 Ontario Inc. (“UnderPar Canada”),
- Carnivore Club Subscription Box Canada Inc (“Carnivore Club Canada”)

The information in this Report applies generally to all Reporting Entities. In this report “we”, “us”, “our”, “company” and “EMERGE” means collectively, the Reporting Entities as defined above.

Structure, activities and supply chain

EMERGE Commerce Ltd. is a premium e-commerce brand portfolio. Our network of subscription and marketplace e-commerce sites provide our members with access to meat & groceries, discounted golf experiences and products.

Our companies’ supply chain consists of distributors, manufacturers, vendors, suppliers, partners and others with whom we conduct business (“Supply Chain Partners”). Our companies do not manufacture goods in Canada or elsewhere. Our supply chain involves purchasing a broad range of meat and golf related goods and services, largely from Canadian and North American sources.



Steps taken to prevent and reduce risks of forced labour and child labour

In the previous financial year, we took the following measures to prevent and reduce the risk of forced labour or child labour in our activities and supply chains:

- Annual review of the terms of the Code of Conduct and other policies to assess compliance with our practice and applicable human rights and employment standards laws;
- Annual review of the terms of our Supplier and Vendor agreements, and conducting due diligence of our potential suppliers before entering into our contracts;
- Enforcing our long-standing policies and processes designed to prevent forced labour and child labour, including validating age of employment eligibility, ID verification, labour hours overtime tracking.

Policies and due diligence processes in relation to forced labour and child labour

Code of Conduct

EMERGE and its subsidiaries have a Code of Conduct that sets out the principles and expectations for all our employees, directors, officers, and agents. The Code of Conduct expressly requires compliance with all applicable laws and regulations and that we operate with the highest standards of ethical conduct.

Supplier and Vendor Agreements

Standard supplier contracts used for the procurement of goods and services include requirements for compliance with applicable laws, which prohibits the use of child labour, forced labour, human trafficking or any other form of modern slavery. We further routinely conduct due diligence of our potential suppliers before entering into our contracts.

Risk of forced labour or child labour being used and the steps we have taken to assess and manage that risk

Operations Analysis

We believe that the risk of forced labour or child labour among our personnel is negligible. Enforcing our Code of Conduct, and throughout our recruiting processes, ensure compliance with the standards currently in force in Canada, where majority of our personnel come from.



Supply Chain Analysis

EMERGE recognizes that some elements of our supply chain present a risk of forced labour or child labour. The ways we identify and manage this risk include:

- Conducting supplier audits for potential suppliers as part of our due diligence procedures
- Enforcing applicable laws and standards through our terms of our Supplier agreements

Remediation Measures

In the last financial year, we have not identified any forced labour or child labour in our business or supply chain, and have not had to take any measures to remediate any forced labour or 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.

If we do identify incidents of forced labour within our activities or supply chains, we will consider the appropriate remediation strategies in compliance with applicable standards.

Training

Understanding and complying with the Code of Conduct is a requirement at EMERGE and its subsidiaries. Our onboarding programs for our team members include training on our Code of Conduct, our Values, and a number of supporting human resource and safety policies.

Assessing Effectiveness

EMERGE is committed to addressing the risks of forced labour and child labour in our business and supply chains. As described in this Report, our company has enforced a number of measures to prevent and reduce these risks. However, to date, no actions have been taken to assess the effectiveness of these measures.



Approval and Attestation

This report was approved by our Board of Directors on May 24, 2024.

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.

"Ghassan Halazon"

Director and CEO

Name: Ghassan Halazon