

2024 Report under the *Fighting Against Forced Labour and Child Labour in Supply Chains Act*

Introduction

This report has been prepared by Flavelle Operations Ltd. (“**FOL**”) in response to the requirements under Canada’s *Fighting Against Forced Labour and Child Labour in Supply Chains Act* (the Act) for our financial year ending December 31, 2023.

Flavelle Operations Ltd. recognizes that we have a responsibility to workers, customers, suppliers and the communities where we operate to engage in ethical and sustainable business practices, including assessing and preventing the risk of forced labour and child labour in our business activities and supply chains. FOL, as a holding company, substantially relies on the efforts of its wholly owned Canadian operating business to manage and monitor its supply chain operations.

Organizational structure, activities and supply chain

Flavelle Operations Ltd. is a Canadian private company with a registered office in Vancouver, BC, Canada. FOL holds a portfolio of investments, including a wholly owned subsidiary that operates a confectionery manufacturing and retail business in Canada.

FOL’s primary role is to provide oversight to its wholly owned subsidiary and affiliated entities, ensure alignment and maintain effective governance across the entire portfolio.

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

Flavelle Operations Ltd. ensures that operating businesses under its control adhere to provincial employment, human rights and safety standards, including with respect to hours of work, wages, minimum age of employment and safety of their employees and seasonal contract workers.

Policies and due diligence processes

Flavelle Operations Ltd. has zero tolerance for forced labour or child labour in operations or supply chains under its control. FOL provides oversight to its subsidiary’s senior management team charged with implementing risk assessment and due diligence processes to evaluate, prevent and mitigate human rights risks in its operations and with their suppliers.

Forced labour and child labour risk

As a holding company, FOL relies on its subsidiary to identify the risk of forced labour and child labour. Canadian operations have low risk of forced labour or child labour, given our compliance with applicable employment, human rights and safety laws.

Remediation measures and remediation of loss of income

FOL provides oversight to its subsidiary with respect to any remediation processes regarding remediation of child labour or forced labour. To date, no complaints relating to forced labour or child labour in its subsidiary have been received, and as such no direct remediation measures have been taken.

Employee training

Flavelle Operations Ltd. has no employees but provides oversight to its subsidiary with respect to the education of its employees and its suppliers with respect to raising awareness of the risks of child labour or forced labour.

Assessing effectiveness

Flavelle Operations Ltd. relies on its subsidiary to monitor the effectiveness of its efforts to reduce forced labour and child labour in its operations. Senior management of its subsidiary reviews reports provided by suppliers and reviews results of responses to supplier questionnaires and outcomes of supplier certifications.

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 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.

Dated in the City of Vancouver, British Columbia, this 13th day of May, 2024.



KAREN FLAVELLE, PRESIDENT

I have the authority to bind Flavelle Operations Ltd.