JEALOUS FRUITS LTD. ENTITY REPORT FOR BILL (S-211) FIGHTING AGAINST FORCED LABOUR AND CHILD LABOUR IN SUPPLY CHAINS ACT

Prepared for: Public Safety Canada Government of Canada Ottawa, Canada

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EXECUTIVE SUMMARY

Despite international efforts, forced labour, child labour, and human trafficking are still real activities that occur around the world. Canadian businesses that operate internationally or source goods and services from within and outside of Canada could unknowingly have business relationships with third parties that directly or indirectly engage in forced or child labour. On January 1st, 2024, federal Bill S-211 ("the Act") came into effect, requiring obligated entities in Canada to take responsibility for minimizing the risk of instances of forced labour, child labour, and all other prohibited labour practices identified throughout supply chains.

Jealous Fruits Ltd is a family-owned, vertically integrated agricultural company operating in British Columbia, Canada that specializes in growing, packing, selling, and shipping fresh sweet cherries. This report outlines Jealous Fruits Ltd.'s operations, supply chains, and the risks they possess regarding forced labour and child labour as defined in the Act. Furthermore, the assessment of these risks, and the measures enacted to mitigate them are identified. Jealous Fruits Ltd. opposes all forms of forced labour, child labour, and human trafficking, and does not participate or utilize any of these abhorrent practices in its operations. Jealous Fruits Ltd. will not source materials or services from entities that are identified as high risk for, or are proven to be participating in, forced or child labour. Jealous Fruits Ltd. fully supports supply chain reporting as a measure to bring awareness to the global forced labour problem and to help eliminate it.

Proactive measures have been implemented at Jealous Fruits Ltd to address the existence of illegal and unethical labour practices in supply chains. A Business Code of Conduct and Ethics policy that outlines the company's stance on forced labour was established in 2023. The policy is applicable to suppliers, contractors, and staff. Suppliers are monitored through supplier and grower approval programs to ensure compliance with the internal Code, applicable laws, and that they do not engage in forced and/or child labour. Jealous Fruits Ltd. maintains compliance with federal and provincial labour laws and wherever possible implements higher level ETI Base Code expectations. For the contingent of our staff that are seasonal Temporary Foreign Workers (TFWs), we utilize only official programs for workers, including AgStream and SAWP.

Jealous Fruits Ltd. recognizes that Canadian agriculture carries higher risks of forced labour due to the large population of migrant workers in the industry. However, internal risk assessments confirm there is negligible risk of forced labour in Jealous Fruits Ltd.'s direct operations, as recruitment is conducted internally, all workers receive work authorization through official government programs, the company abides by the rules and regulations set out therein, and all employed TFWs enjoy the same worker protections as Canadians, including minimum wage legislation, the right to refuse unsafe work, freedom to leave employment, and more. Furthermore, there is a risk of international suppliers engaging in forced labour directly or elsewhere in their supply chains. The internal supplier approval program has been updated to investigate supplier engagement in ethical practices and supplier monitoring for forced labour.

Jealous Fruits Ltd. seeks to be a leader in the Canadian cherry industry for ethical business practices and human rights. Jealous Fruits Ltd. is dedicated to continuously improving supplier management, hiring processes, and business practices to ensure forced or child labour doesn't enter the supply chain. Through this report Jealous Fruits Ltd. illustrates its existing programs and direction for ensuring forced and/or child labour does not occur in its supply chain.

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BACKGROUND

Jealous Fruits Ltd. is a family-owned and operated, vertically integrated agricultural company, specializing in the growing, packing, selling, and shipping of premium sweet cherries. The company also grows smaller quantities of apples. The Geen family (owners and operator of Jealous Fruits Ltd.), have been continually farming tree fruits in the Okanagan area of British Columbia since 1900. David Geen has been CEO and President of the organization currently operating as Jealous Fruits Ltd. (formerly Coral Beach Farms Ltd) since 1990. To date, Jealous Fruits Ltd. is the largest vertically-integrated supplier of fresh sweet cherries in Canada and aims to be an industry leader in all fronts, including ethical business and employment practices.

On January 1st, 2024, the Government of Canada implemented Bill S-211 to further the responsibility of Canadian businesses in ensuring entities are not engaging in or supporting forced and/or child labour in their operations and supply chain. The Government has asked business entities to produce and make public a report that illustrates the company's actions towards mitigating forced labour risks. The report is designed to encourage transparency between businesses and the Canadian public regarding forced and child labour policies and ethics.

Jealous Fruits Ltd. is presenting here a report for the requirements set out in "Fighting Against Forced Labour and Child Labour in Supply Chains Act" for the first time, as an obligated incorporated entity operating in Canada.

ASSESSMENT OF FORCED LABOUR IN JEALOUS FRUITS LTD. SUPPLY CHAIN

Report Status: Original

BUSINESS STRUCTURE

Company Name: Jealous Fruits Ltd. Business Number: 89902 9755

Reporting Year: January 1, 2023 - December 31, 2023

Industry: Agriculture

Principal Location: British Columbia, Canada

Jealous Fruits Ltd. does not have joint companies that meet the reporting requirements. This report is written by representatives of Jealous Fruits Ltd. as a single reporting entity.

Jealous Fruits Ltd. meets the requirements of an entity under Bill S-211 by having a business presence in Canada and meeting the specified size-related thresholds.

BUSINESS ACTIVITIES

Jealous Fruits Ltd. conducts the following activities in Canada:

- 1. Producing Goods in Canada
- 2. Selling Goods in Canada
- 3. Distributing Goods in Canada and outside Canada
- 4. Importing into Canada goods produced outside of Canada

BUSINESS SUPPLY CHAIN

Jealous Fruits Ltd. produces fresh sweet cherries and apples for the consumer market.

Jealous Fruits Ltd.'s supply chain consists of domestic and imported goods and services.

Domestic Supplies:

- Fresh cherries from farms not owned or operated by Jealous Fruits Ltd.
- Pesticides, fertilizer, growth regulators, and other agricultural inputs
- Secondary packaging (e.g., Cardboard boxes and lids)
- Harvest bins and totes
- Cleaning supplies
- Root stock and trees
- Farming equipment
- Specialized cherry packing equipment

Imported Supplies:

• UNITEC Optical Sorting and Mechanical Equipment

- Specialized cherry packing equipment
- Pesticides, fertilizer, growth regulators, and/or other agricultural inputs.
- Harvest bins and totes
- Root stock and trees
- Secondary packaging (i.e., Cardboard boxes and lids)
- Primary packaging (i.e., water absorbers, modified atmosphere bags, pouch bags)
- Farming equipment

Domestic Services:

- Pest Control
- First Aid
- Equipment rentals
- Training Services
- General Contract Work
 - Mechanical service and repairs
 - Cleaning contracts
- Transportation (for employees and product)
- Meal Services (catering and meal programs)

Employment:

- Domestic Labour
- Temporary Foreign Labour

POLICIES

Jealous Fruits Ltd. has a formal policy on forced labour in its business activities and supply chain that is available to employees and stakeholders to view freely. The policy specifically outlines the business code of conduct and code of ethics ("Code of Ethics and Business Conduct" policy), and affiliated management programs including Grower and Supplier approval.

DUE DILIGENCE PROCESS

Jealous Fruits Ltd. has implemented multiple controls in its business activities and supply chain to reduce the risk of any involvement of forced and child labour.

Executive management at Jealous Fruits Ltd. developed and implemented due diligence policies and processes for identifying, addressing, and prohibiting the use of forced labour and/or child labour in business activities and supply chains. These processes involve embedding responsible business conduct into policies and management systems and identifying and assessing adverse impacts in operations, supply chains, and business relationships through a risk assessment procedure.

Internal grievance mechanisms, including anonymous whistleblower and complaint forms, have been implemented to allow employees to voice any concerns they may have directly to executive management. Jealous Fruits Ltd. also uses, on a minimum annual basis, the self-

assessment checklist provided by the Sedex Member Ethical Trade Audit (SMETA) to assess compliance with forced labour policies in accordance with the Ethical Trade Initiative (ETI) Base Code. The in-person Sedex Member Ethical Trade Audit is booked for Q3 2024.

Within its primary operations Jealous Fruits Ltd. has conducted an internal assessment of risks of forced labour and child labour in business activities and supply chain. This assessment enabled Jealous Fruits Ltd. to identify areas of moderate risk of forced labour so efforts could be focused on these areas. Suppliers both in and outside of Canada are monitored through an internal Supplier Approval Program to verify their activities do not present a risk for forced and/or child labour.

To ensure safe and ethical recruitment of employees Jealous Fruits Ltd. collects information on worker recruitment and maintains internal controls to ensure that all workers are recruited voluntarily. Third party labour contractors are not used to source Temporary Foreign Workers to reduce the risk of unethical recruitment practices. In addition, the company fully participates in any audits conducted by Integrity Services Canada to verify that primary business operations are compliant with Canadian employment standards.

RISK ASSESSMENT

Jealous Fruits Ltd. identifies risks in its supply chain regarding forced labour and child labour by evaluating known risk factors and sectors as outlined below, and by monitoring responses rendered from the supplier approval program. This constitutes our risk assessment process, and it is re-evaluated annually. Parts of Jealous Fruits Ltd.'s business activities and supply chain that are considered factors in determining the base level risk of forced and/or child labour include:

- Sector or industry Jealous Fruits Ltd. operates in.
- Tier two suppliers.
- Use of temporary foreign labour.

To determine the risk level of suppliers in Jealous Fruits Ltd.'s supply chain, suppliers are asked to complete a questionnaire through the Supplier Approval Program. Questions asked therein pertain to ethical recruitment, fair and regularly paid wages, employment contracts, foreign labour use, and forced labour policies. Major suppliers are also asked to provide letters of guarantee regarding their suppliers (i.e., tier two suppliers). A supplier is deemed as high risk if they refuse to complete the questionnaire or provide answers that illustrate unethical labour practices, including practices identified in the Act.

In addition, Jealous Fruits Ltd. is subject to, and fully participates in, assessments from federal (or joint federal-provincial) foreign labour programs (i.e., AgStream, SAWP) to verify compliance with all rules and regulations. To verify partnered grower compliance with the rules, regulations, and internal Code, Jealous Fruits Ltd. established a grower approval program in Q4 of 2023 that requires partnered growers to complete a questionnaire prior to shipping their cherries to the company each season.

Some gaps in the assessment process remain. By expanding both internal policies and the supplier approval program (e.g., more distal suppliers up the supply chain), Jealous Fruits Ltd. will mitigate these gaps and make more detailed its risk assessments on forced labour and child labour in business activities and supply chain.

REMIDIATION MEASURES

Not applicable, Jealous Fruits Ltd. has not identified any forced labour or child labour in its activities and supply chains.

REMIDIATION OF LOSS OF INCOME

Not applicable, Jealous Fruits Ltd. has not identified any loss of income to vulnerable families resulting from measures taken to eliminate the use of forced labour or child labour in its activities and supply chains.

TRAINING

In reporting year 2023, at time of onboarding, employees are given a review of Jealous Fruits Ltd.'s Business Code of Conduct and Ethics as part of general orientation. The policy is available to all workers through a digital Human Resource Management System (HRMS) employee hub, as well as through the company's document management system or printed copies, and an abridged version covering the key points is included in the employee handbook.

ASSESSING EFFECTIVENESS

Jealous Fruits Ltd. annually reviews the organization's policies and procedures related to forced labour and child labour. In addition, biannually Jealous Fruits Ltd. conducts a self-assessment through the SMETA program to assess business alignment with the ETI Bade Code.

Following the SMETA self-assessment a formal SMETA audit has been scheduled for Q3 2024.

The online anonymous feedback tool implemented in 2023 gives submitters the ability to notify ownership directly of any experienced or witnessed human rights violations, including forced labour or other unethical and prohibited labour practices. Anonymous submissions are aggregated and statistics monitored to detect any occurrence of a complaint flagged with the identifier "Human Rights".

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.

I have the authority to bind Jealous Fruits Ltd.

David Geen

Chief Executive Officer

May 31, 2024