



Fighting against forced labour and child labour in supply chains report

About this report

This report is made pursuant to subsection 11(1) of the *Fighting Against Forced Labour and Child Labour in Supply Chains Act*, S.C., 2023, c.9 (the Act) and has been prepared on behalf of the New Brunswick Liquor Corporation (Alcool NB Liquor, ANBL).

As required by the Act, this report summarizes the steps that we have taken in the financial year ending March 31, 2024, to prevent and reduce the risk that forced labour or child labour is used at any step of the manufacturing, importation, and sale of beverage alcohol products into Canada.

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

At ANBL, our Mission is to responsibly manage a successful business for the people of New Brunswick. This mission is built upon a foundation of brand, value, trust, community, safety, and people.

During fiscal year 23/24, ANBL has begun to educate and put plans in place to review our policies and procedures as they apply to the Act.

In addition to the above, in the next fiscal year (24/25) ANBL will take additional steps including:

- Discussion of the Act and its requirements with our Board of Directors and Executive Management and raising awareness of our policies and processes with senior management in each of our business units
- Continue with our external working group, comprised of other Canadian liquor boards, to work together in areas of common interest, leverage work done and avoid duplication of efforts
- Continue with our internal working group to review and develop improvements to our policies, processes and procedures
- Leverage third party experience to identify industry standards and best practices
- Provide awareness training and information to applicable areas of the business and look to develop further training as needed
- Identifying the areas of our business and supply chains that carry a risk of forced labour and child labour



Structure, activities and supply chains

Our structure and activities

The New Brunswick Liquor Corporation (Alcool NB Liquor) is a Crown Corporation headquartered in Fredericton, NB Canada.

The affairs of the Corporation are administered by an eight-member Board of Directors, one of whom is the President and CEO, an ex-officio member.

By virtue of the Importation of Intoxicating Liquors Act, the Corporation is the exclusive importer, distributor and retailer for beverage alcohol of every kind and description.

Our activities are carried out through the following:

- Warehousing and distribution – Central warehouse and several third-party logistics (3PL)
- Corporate retail locations – 40 retail stores in 29 communities
- 90 Agent retail locations
- 68 Grocery locations

Our supply chains

During fiscal year 23/24, our global supply chain spans across 18 countries, including notable sourcing from Italy (2.46%), France (1.84%), Argentina (0.60%), Australia (1.25%), Chile (1.99%), various European nations (4.43%), South Africa (0.59%), and the United States (3.76%), as well as eight Canadian provinces (82.6%) such as British Columbia, Alberta, and Quebec. This global operation covers six continents – North America, South America, Europe, Asia, Australia, and Africa – underscoring our commitment to diverse sourcing and a wide-reaching supply network.

Our inventory is both vast and varied, with 3,475 actively ordered and sold products, a testament to our capability to meet diverse market demands. We import products into Canada primarily through two global freight forwarders, Hillebrand Gori and Albatrans, ensuring a streamlined and reliable transportation process. In addition, we have implemented a strategic regional cooperation model. This approach involves consolidating our imported products, excluding those from the Eastern USA, with three other Atlantic Liquor Boards: Nova Scotia Liquor Corporation (NSLC), Newfoundland Labrador Liquor Corporation (NLLC), and the Prince Edward Island Liquor Corporation (PEILC). This consolidation occurs at the port of Halifax, where products are destuffed, repalletized, and then distributed to the appropriate liquor board. This method not only optimizes logistics but also reinforces our commitment to collaborative and efficient supply chain management.

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Assessing effectiveness in ensuring that forced labour and child labour are not being used in our business and supply chains

Our ability to deliver on our customer experience and expectations is linked to how well we identify and manage potential risks to our business. This includes the risk of forced labour or child labour being used in our business and supply chains. Assessing the effectiveness of managing that risk is a shared responsibility of our Board of Directors and management.

ANBL employs an enterprise risk register that identifies top ranked risks with associated mitigation tactics, to the business. This document is presented and reviewed with the Board of Directors. This forms a proactive approach to informing corporate strategy and operations.

Given the nature of our business (importation, distribution, and sale of beverage alcohol), forced labour or child labour in our supply chains has not, to date, been identified as a risk in our enterprise risk register. However, as we continue to learn and engage with suppliers, and should specific information come to light that causes this risk to be elevated, it would fall under the responsibility of the appropriate business unit or specific committee to engage.

Attestation

In accordance with the requirements of the Act, and in particular section 11 thereof, I attest that the Board of Directors of the New Brunswick Liquor Corporation has reviewed the information contained in the report. 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.

Lori Stickles, President and CEO

Date: *May 3, 2024*

"I have the authority to bind the New Brunswick Liquor Corporation"

John Correia, Chair, Board of Directors

Date: *May 3 / 2024.*

"I have the authority to bind the New Brunswick Liquor Corporation"

