



## Canadian Modern Slavery Act Report (2023)

### Introduction

This Report describes actions taken by Redpath Sugar Ltd. (Redpath) for FY2023. The Report was prepared to comply with the requirements of the Canadian *Fighting Against Forced Labour and Child Labour in Supply Chains Act* (the Act).

As the country's oldest food company, Redpath has a rich history crafting sugar products in Canada since 1854. The Redpath logo is Canada's oldest continuously used food brand logo and was derived its founder's own script. With a significant presence, Redpath is used by consumers, professional bakers, restaurants, and food service outlets, as well as food and drink manufacturers across Canada.

Redpath owns and operates two plants – a sugar refinery in Toronto and a blending and packaging plant in Belleville. Redpath purchases raw sugar from a small number of countries each year. Redpath accepts delivery of raw sugar at the Toronto refinery, refines the raw sugar into food grade product, and markets and sells refined sugar in Canada to the industrial sugar and branded retail markets. Redpath also sends sugar to its Belleville plant to make blended products containing sugar and other ingredients primarily for export. Raw sugar constitutes 98.2% of Redpath's raw material inputs.

Redpath's Toronto Refinery is Canada's largest cane sugar refinery and a landmark on the city's waterfront.

Redpath is part of ASR Group, the world's largest cane sugar refining and marketing company. ASR Group is committed to making life a little sweeter and strives to be the most sustainable and ethical sugarcane company.

### Our Commitment to an Ethical Supply Chain and Transparency

Redpath recognizes its responsibility to be transparent, address adverse human rights impact that may be present in its operations, and to encourage its business operation and supply chain to respect human rights.

We take ownership of our actions and understand that we are accountable for the decisions we make. Transparency is a must, and to this end, we communicate our

position in our sustainability journey on a regular basis internally and externally, as our progression is a priority to our governing entities. Correspondingly, risk management is a priority, and if any incident occurs that is not in keeping with our set standards, we proactively inform impacted stakeholders and responsibly act as swiftly as possible to remediate such events. ASR Group also releases an annual sustainability report that provides a complete briefing on its vision, strategy, targets, and metrics across the organization, including Redpath in Canada.

All raw sugar used in Redpath products comes from sugar mills that are assessed (certified and/or verified) against an internationally recognized standard. When trade and agriculture policies limit our access to a full volume of certified sugar, raw sugar is purchased from suppliers who have been through our Ethical Sourcing Program.

Our raw cane sugar comes from suppliers who:

- Respect and work toward the highest environmental, social and governance standards.
- Uphold human rights.
- Are verified through our rigorous Ethical Sourcing Program, a program we started more than ten years ago.

Our Ethical Sourcing Program is an important advancement of our goals, and it is part of an ongoing effort to reduce our carbon footprint and enhance our environmental and social stewardship.

Redpath-owned sites undergo annual Sedex Members Ethical Trade Audits (SMETA). The SMETA is one of the most widely used social auditing procedures in the world, using social and ethical standards based on the Ethical Trading Initiative's (ETI) principles.

## **Our Raw Sugar Sustainability Program**

In FY2023, Redpath sourced from six countries including: Brazil, El Salvador, Guatemala, Honduras and Nicaragua. Such sugar-producing countries where we purchased raw sugar are developing countries, which often have challenges in common, such as widespread poverty, low education levels and little or no social support for vulnerable people. The sugar industries in the countries that supply us are often the backbone of the local communities and play a significant role in the local economies. We recognize that buying from sugar producing companies in developing countries brings specific risks and responsibilities.

To ensure that Redpath's supply chain, and particularly our raw sugar supply chain, does not engage in human rights violations, we follow a four-step compliance process in our raw sugar supply chain as follows:

### **Step 1**

Suppliers must adhere to our Supplier Code of Conduct, based on internationally recognized standards.

### **Step 2**

Suppliers are requested to complete an annual self-assessment of their social and ethical practices using the Sedex Supplier Engagement platform, which includes compliance with labour, health, safety, environmental and business integrity standards.

### **Step 3**

Suppliers are required to participate in independent sustainability audits based on social and environmental sustainability standards. Those standards include SMETA, ProTerra, Bonsucro, Fairtrade, SAI and other recognized standards.

### **Step 4**

Suppliers are encouraged to improve in areas of non-compliance, and Redpath supports suppliers making those efforts.

Additionally, Redpath's contracts with several raw cane sugar suppliers who are Fairtrade certified. The Fairtrade standard prohibits violation of human rights, and the certification is earned and maintained by completing third-party annual audits.

## **Other Suppliers Beyond Raw Sugar**

For the balance of Redpath's supply chain, Redpath requires any potentially high-risk stakeholders to participate in an independent social audit based on the Sedex SMETA 4 Pillars Protocol.

## **Update as of May 31, 2024**

At the time of preparing this Report, Redpath is unaware of any conduct that could be considered a violation of the Act.

## **Our Own Operations**

Redpath's workforce is comprised of mostly permanent employees. Temporary employees are used based on seasonal needs. Typically, 8-10% of total employees are temporary workers. The hourly rates follow the negotiated collective agreements at our different sites.

## Controls in Our Own Operations

If Redpath engages labour agencies to provide temporary employees, these agencies must comply with ASR Group's Code of Ethics and Business Conduct, Ethical Sourcing Policy and Supplier Code of Conduct. These policies can be found in [English at ASR Group \(asr-group.com\)](http://asr-group.com).

Redpath employees who have direct responsibility for supply chain management in both sugar and non-sugar areas have undergone additional specific training to identify, prevent and reduce hidden forced labour, labour trafficking and other third-party exploitation of workers. The training aims to:

- Raise awareness about the Act.
- Educate employees on the meaning of forced and child labor.
- Alert employees to potential forced labor or child labor because of their interaction with Redpath's supply chain.
  - Teach employees to identify the signs of hidden labor exploitation.
- Explain what employees can do personally to protect vulnerable individuals from exploitation.
- Review Redpath's (ASR Group) policies related to human rights and grievance mechanisms.
- Explain how to report any instances of hidden labor exploitation.
- Educate employees concerning protection of Redpath's reputation.

Redpath's operations go through a comprehensive annual social audit performed by independent third-party firm Accordia. This social audit is performed against the Sedex SMETA 4 Pillars Social Responsibility protocol, which is a formal review of a company's efforts to conduct business in a lawful, humane and ethical manner. The latter includes a review of forced and child labor indicators and the general work environment, worker pay, benefits, and work hours to evaluate a company's social impact in its locations.

## Reporting Concerns

Any employee having knowledge of credible information concerning actual or potential violations of our Code of Ethics and Business Conduct is required to report it immediately.

All employees can access an internal whistle blowing line which is advertised around our sites.

We do not tolerate retaliation or threats of retaliation against anyone who raises a concern under the Code of Ethics and Business Conduct. Any employee who engages in retaliation or threats of retaliation will face disciplinary action.

We have policies in place to further address the risk of child and/or forced labor in our own operations. The policy document sets out the steps to enable that, at each of our operations, our colleagues are aware of their roles and responsibilities in preventing these crimes and how to protect the potential victim, the evidence, other colleagues, and our business if they suspect that colleagues may be victims of such crimes.

## **Our Policies**

Through our policies, we communicate our values and expectations, setting a high bar for ourselves, and our suppliers, making clear that we do not tolerate modern slavery. We seek to address and eliminate any threat of forced labour and child labour in our supply chain by adhering to legal standards, conducting due diligence, maintaining transparency through monitoring and reporting, protecting whistleblowers, and continuously improving our supply chain practices in line with international standards. We regularly review our policies to identify areas for improvement, a process supported by engaging with external stakeholders and benchmarking against evolving international human rights standards.

As a sugarcane company and part of the world's largest cane sugar refiner, ASR Group, Redpath takes its social responsibilities seriously. Ensuring the sustainability of our operations, our supply chain and our products is one of Redpath's core values, and respecting human rights is fundamental to those values. These principles drive us to continually strengthen our Corporate Social Responsibility (CSR) efforts so that we can have a positive impact on human rights.

## **Human Rights Statement**

Redpath is committed to ensuring the protection and preservation of human rights in our operations, and we require the same commitment from our contractors, suppliers and other business associates (Stakeholders).

Redpath respects and promotes all fundamental human rights as outlined in the United Nations' (UN) International Bill of Human Rights and the International Labour Organization's (ILO) Core Conventions, and as set forth in the Declaration of Fundamental Principles & Rights at Work. Redpath is committed to conducting ongoing human rights due diligence in line with the UN's Guiding Principles on Business & Human Rights and to follow the Organization for Economic Cooperation & Development's (OECD) Due Diligence Guidance for Responsible Business Conduct.

ASR Group's Human Rights Statement recognizes that Redpath has a responsibility to address any adverse human rights impact that may be present in its operations and to use its leverage to encourage its stakeholders to respect human rights in its extended supply chain.

## **Whistleblowing Policy**

Redpath is committed to ethical, moral and lawful business conduct. In line with this commitment and our commitment to open communication, ASR Group's Whistleblowing Policy aims to provide an avenue for personnel to bring serious concerns to our attention and assurance that they will be protected from any harassment, reprisal, retaliation or disciplinary action for whistleblowing in good faith.

## **Reporting Mechanism**

Redpath maintains communications channels for international and external Stakeholders. Employees can submit grievances via ASR Group's Ethics Hotlines. ASR Group's Ethics Hotlines are toll-free telephone numbers managed by a third-party to provide employees with a method of communicating concerns and to protect their identity to the greatest extent possible. External Stakeholders may file objections via a web-based email mechanism to ensure access to a transparent, protected and confidential investigative tool for the complaints of the parties concerned.

## **Environmental, Health and Safety Policy**

Redpath's policy is for each of its facilities to meet or exceed the requirements of the environmental, health and safety regulations and relevant industry standards applicable to its location.

## **Code of Conduct**

Redpath is dedicated to conducting business in a lawful and ethical manner in all its operations. For this reason, we adopted a Code of Ethics and Business Conduct (the Code). The Code applies to all our employees, officers and directors, as well as our contract personnel, people that we hire as our agents and, in some cases, our suppliers.

The Code outlines the ethical behavior required of Redpath's employees. When conducting business, employees must always uphold the law and act according to the highest ethical standards. The Code also guides employees when making decisions and identifying potential legal or ethical misconduct. Mandatory training ensures that all employees are knowledgeable and understand these requirements.

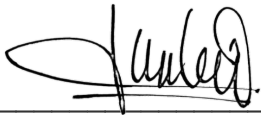
## **Conclusion**

Redpath conducted a comprehensive review of its supply chain, emphasizing the alignment of every aspect with its steadfast dedication to ethical standards and human rights. This evaluation forms a component of Redpath's proactive strategy to uphold and improve the integrity of its business activities. Through this report, Redpath reaffirms its

pledge to transparency to ensure that all interested parties understand its supply chain procedures.

## 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, and that I have the authority to bind Redpath Sugar Ltd.



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**Gabriel Buenaventura**  
*Director*  
May 31, 2024



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**Rob Gentilcore**  
*Director*  
May 31, 2024



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**Christopher McDonald**  
*Director*  
May 31, 2024



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**Armando A. Tabernilla**  
*Director*  
May 31, 2024