

## **Riverside's Structure, activities, and supply chains**

*(Sub-Section 11(3) of Fighting Against Forced Labour and Child Labour in Supply Chains Act)*

### **Structure:**

Riverside Natural Foods Ltd. (Riverside) is a Canadian, privately owned and operated food manufacturing company. It was incorporated in the Province of Ontario in 2013. Riverside employs over 600 full-time employees in Ontario and is a **certified Living Wage** Employer through the Ontario Living Wage Network ([www.OntarioLivingWage.ca](http://www.OntarioLivingWage.ca)).

Riverside is also a **B-Corp Certified Company**. B Corp Certification is a designation that a business is meeting high standards of verified performance, accountability, and transparency on factors from employee benefits and charitable giving to supply chain practices and input materials. Through its certification, Riverside has demonstrated:

- High social and environmental performance by achieving a B Impact Assessment score of 80 or above.
- Made a legal commitment by changing their corporate structure to be accountable to ALL stakeholders, not just shareholders.
- Exhibit transparency by allowing information about their performance to be publicly available on the B Lab's website.

<https://www.bcorporation.net/en-us/find-a-b-corp/company/riverside-natural-foods-ltd/>

### **Activities:**

Riverside is vertically integrated and self manufactures, sells and distributes portable, shelf stable, better-for-you, natural and organic snacking & breakfast products under its own flagship brands and offers private label services to various retail brands in Canada, US, and Europe. It operates out of 4 food-grade and third-party food safety certified (BRC) manufacturing facilities in the Greater Toronto Area (GTA). All Riverside manufacturing facilities are also Certified Organic through Pro-Cert.

### **Supply Chains:**

Riverside self-manufactures its own products in Canada with full control of product development and no co-manufacturing arrangements. It operates facilities in Toronto, Calgary and Chicago to facilitate North American distribution. A regional office and third-party logistics company in the Netherlands services the European market.



Riverside operates on a triple bottom line philosophy where social responsibility and long-term partnerships alongside environmental stewardship, are foundational.

Riverside works with vendor partners globally and sources its key inputs direct from origin.

- Over half of its ingredient spend are sourced from items grown in Canada & United States with an even split.
- Majority of its packaging spend comes from Canadian and American manufacturers (Mills, Convertors & Printers).
- Indirect materials and Manufacturing equipment are in scope to be assessed in 2024.

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**Steps Riverside has taken during its previous financial year to prevent and reduce the risk that forced labour or child labour is used at any step of the production of goods in Canada or elsewhere by the entity or of goods imported into Canada by the entity**

**Production of Goods in Canada:**

Riverside does not outsource any of its manufacturing activities and in 2023 continued to pay its employees at *a minimum*, a **living wage** (as defined by the Ontario Living Wage Network) and has been an active member of the Ontario Living Wage Network since 2019.

Riverside continues to participate in a profit-sharing program for all its full-time employees.

Riverside provides full benefits to all its full-time employees.

Riverside continues to have a comprehensive health and safety system designed with programs, policies, and procedures to mitigate incidents and ensure our workers thrive in an environment that fosters their health, safety, and well-being. The goal is to establish and drive an interdependent and solution-oriented safety culture.

Riverside has extensive learning and development initiatives for all team members. Continuous learning and growth are key guiding principles for talent management.



**Goods imported into Canada:**

Riverside distributed and received signed copies of its Code of Conduct (CoC) from 99% of its raw material (ingredient) and packaging vendor partners in 2023. In its CoC, Riverside articulates its expectations from its vendors in the area of social responsibility by covering the below areas of concern:

- Child labour
- Freely Chosen Employment
- Freedom of Association
- Treatment of People
- Working Hours & Compensation
- Safe Working Conditions
- Non-Tolerance of Discrimination
- Humane Treatment

Riverside has since increased its scope to include its equipment manufacturing companies for 2024. Updates will be provided in the 2024 version of this report.

In-person visits to origin (including agricultural sites and processing facilities) for multiple key vendor partners were completed in 2023.

Countries visited included regions in Canada, United States & South America (Peru & Columbia). Riverside has a comprehensive plan in place to visit additional key partners in Mexico, Brazil, Türkiye & China in 2024. Intent of these visits has been to:

- Continue to build trust, transparency, and nurture direct relationships with our primary and agricultural partners.
- Assess social and environmental conditions and identify potential risks.
- Seek opportunities and determine viability to co-create social and/or environmental projects with intent to create a positive local impact. Please see our 2023 Impact Report by visiting the link below for details of active impact projects Riverside has with partners in its supply chain: <https://www.riversidenaturalfoods.com/planet>



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## **Riverside policies and due diligence processes in relation to forced labour and child labour**

Child and forced labour are pervasive problems throughout the world. Riverside has a key role to play in these issues. To this end, Riverside has a zero-tolerance policy against child labour and/or forced labour as prohibited by international standards and relevant national laws and regulations in all stages of its operations. This information is present in its 2023 Employee Handbook under ***“Young Worker, Child Labour and Forced Labour Policy”***.

The purpose of this document is to clearly set out the rules on age limits for employees to ensure adherence to local laws. In addition, the policy provides guidance on the processes to control compliance.

Riverside will not directly hire workers under the age of 18 years old. Riverside will require identification documents (ID) that by local laws, regulations, or practices, are accepted as ‘proof of age’. Copies of the ID will be kept in the employee file together with the worker’s contract by the People & Values (HR) and Payroll departments.

Riverside is committed to refrain from any type of child labour in its own business and own production sites and shall take the following steps to mitigate any risk towards the use of child labour:

- Riverside will maintain an age verification as part of the onboarding process
- Riverside shall monitor the implementation of the policy including age verification procedures at its worksites on a regular basis

Riverside also respects national and local laws on Freedom of Association in the communities where we do business, including the Canadian Charter of Rights and Freedom.

The International Labour Organization created the Declaration on Fundamental Principles and Rights at Work. This declaration expresses a commitment by governments, employers, and workers' organizations to uphold basic human values in the workplace. The declaration covers:

- Freedom of association and the right to collective bargaining
- Eliminating all forms of forced or compulsory labour
- Abolishing child labour
- Eliminating discrimination in employment



Riverside recognizes that all these values are vital to social and economic development and commits to upholding them in the workplace

Although Riverside has policies, practices and due diligence in place for its own manufacturing facilities, it fully recognizes that there is still more work to be done to assess and mitigate chances of forced labour and child labour throughout its value chain. More processes, governance and due diligence will be in place in 2024 and beyond to address these gaps.

Initiatives being considered are:

- Additional direct and professional third-party audit services
- Increased scope of due diligence in its value chain (beyond direct material)
- Consulting services which support our strategy & leading technology platforms which support data management

The intent of exploring these avenues is to ensure our value chain is transparent, trusted, and free from forced labour and/or child labour.

*Sub-Section 11(1) of Fighting Against Forced Labour and Child Labour in Supply Chains Act* **Parts of Riverside's business and supply chains that carry a risk of forced labour or child labour being used and the steps it has taken to assess and manage that risk**

Riverside continues to monitor its value chain to identify activities and supply chains that could potentially cause, contribute to or be directly or indirectly linked to actual or potential risk that forced labour or child labour is used, wither directly or in the supply chain.

In the assessment (Code of Conduct) and activities (site visits) that Riverside completed in 2023, no parts of the supply chains assessed were identified as carrying specific risk. While Riverside is responsible for its own manufacturing, it relies on third party vendors for source materials, including food commodities. The risk of forced labour is higher in Riverside's upstream supply chain participants than in its own operations, given the existing controls Riverside applies to its direct activities (and as described in previous sections of this report).

Riverside will continue to increase the scope of its site visits and find additional avenues to validate the absence of child labour and forced labour in its upstream and downstream supply chain via third-party tools and audits.



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**Any measures taken to remediate any forced labour or child labour and/or any measures taken to remediate the loss of income to the most vulnerable families that results from any measure taken to eliminate the use of forced labour or child labour in its activities and supply chains**

As indicated above, no parts of Riverside's business and supply chain that were assessed in 2023 were identified as carrying specific risks associated with the loss of income to vulnerable families. However, mitigation strategies for Riverside still require continuous development and evolution over time, as we increase our internal capabilities and build strong third-party partnerships. These efforts are still to be determined and will be scenario-based across our value chain.

Although Riverside does not support the practice of forced labour or child labour, should a specific risk be identified in its value chain, it will work collaboratively with its partners to remedy each situation. Further, remedial efforts need to address systemic forces that contribute to the presence of forced labour and child labour in addition to ensuring livelihoods of the most impacted stakeholders are elevated in a sustainable way.

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**The training provided to employees on forced labour and child labour**

All employees at Riverside are expected to have read and be familiar with Riverside's Young Worker, Child Labour and Forced Labour Policy available and present in the Riverside Employee Handbook.

Procurement and Sourcing specialists for direct material at Riverside are expected to complete the ASCM Procurement Certification which includes a module on Ethical Sourcing (addressing Child Labour & Forced Labour issues) by the end of 2024. These employees are also responsible for requesting that vendors read and confirm acceptance of Riverside's Code of Conduct.



Riverside recognizes that broader training is required and necessary for key decision makers in the organization, specifically to create broader awareness and education on the prevalence and prevention of child labour and forced labour within the global supply chain landscape.

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**How the entity assesses its effectiveness in ensuring that forced labour and child labour are not being used in its business and supply chains**

Current assessment of effectiveness is subjective. Based on the long-term partnerships that have been nurtured over decades. With that, effectiveness can only be achieved when Riverside prioritizes and values its partnerships and ensures they continue to be built on trust, fairness, and transparency.

As Riverside continues to grow, it recognizes the need to have a scalable, more effective, and consistent method of assessment and continuous improvement. Fairtrade certification along with third-party social responsibility audits and digital platforms will be explored in 2024 and implementation on its strategy, in 2025.

**Approval & Attestation**

In accordance with the requirements of the Act, and in particular section 11(4)(a) 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.

Full name: Nima Fotovat  
Title: President  
Date: May 30, 2024

Signature: *Nima Fotovat*  
I have the authority to bind Riverside Natural Foods Ltd.

