



Forced Labour & Modern Slavery Statement for Financial year 2023.

(Jan 1st to Dec 31st, 2023)

Who We Are

Sequel Naturals ULC (Vega) was co-founded in 2001 by vegan triathlete Brendan Brazier; a firm believer in the power of plants, and frustrated at the lack of existing high-performance solutions, he decided to make his own. Under new ownership, we've grown to feature a full range of plant-based products for all activity levels and goals.

Vega employs staff across its offices in Vancouver, BC and Denver, CO, in addition to remote employees across the US and Canada.

What We Do

Vega distributes and sells plant-based nutritional, health and wellness products made in Canada and the United States through our own e-commerce sites, external e-commerce sites such as Amazon, and major retail outlets such as Walmart, Target, Loblaws, Whole Foods amongst others.

These products use a mixture of local and foreign raw materials including:

- Raw materials such as pea protein powder, fruit and vegetable powders and natural flavourings.
- Functional ingredients, such as probiotics, vitamins and minerals, and extracts from herbal plants
- Packaging components such as lids, preformed bags, plastic tubs, scoops, labels and boxes.

Our Supply Chains

Vega imports and wholesales finished goods produced by third party co-manufacturers in the US and Canada.

Our key raw materials and components for our products are the following:

- Pea protein powder
- Cocoa powder
- Pumpkin seed protein
- Brown rice protein

- Kale powder
- Spinach powder
- Organic flax seed

We source our key raw materials and components sourced from the following locations:

- US
- Canada
- Argentina
- China
- Egypt
- Hungary
- Israel
- Mexico
- West Africa

Our supply chain also includes extensive local and global supply chains for goods, materials & services including logistics service providers, freight forwarders, shipping companies, advertising and creative agencies, warehousing pick and pack services. Our supply chain also includes goods and services that support our business activities such as creative agencies, electronics, financial and legal assurance and other consulting partners.

How We Work to Ensure Our Supply Chains Are Free of Forced Labour and Child Labour

1. Our Policies

Vega has a supplier code of conduct which establishes the ethical and social standards required for suppliers that wish to supply materials and do business with Vega. All key suppliers providing our raw materials, manufacturing services, logistics and other external services are required to acknowledge and sign our code of conduct, that explains and prohibits the use of forced and child labour and sets out Vega's

commitment to sourcing ethically produced raw materials. This policy also sets out punitive measures and consequences of breaches to this policy.

Vega also has a Whistleblower policy which provides an avenue for any stakeholder, employee, contractor or supplier to raise concerns or breaches of the Supplier code of conduct. This is a confidential and anonymous line of communication.

2. Our Due Diligence Processes

To prioritise and carry out due diligence in our supply chain, Vega carried out a materiality assessment to uncover potential environmental and social risks in our own operations and throughout our value chain. This process then prioritised this risk, including forced and child labour based on our knowledge of our supply chains and sourcing practices against our ability to affect systems change with our suppliers and industry itself. This process is typically repeated every two to three years to ensure our risks align with our business activities.

All co-manufacturers go through rigorous qualification for food safety and quality and then are audited after that on risk-based criteria (I.e. volume, type of product, risk of products etc.). Our co-manufacturers undergo a GFSI third party audit which occurs once a year.

Vega sourced ingredients are qualified by our team via rigorous documentation process. Our ingredient suppliers must have a third-party food safety audit. We target to requalify every 3 years or as otherwise determined based on internal risk assessment.

Co-manufacturer sourced ingredients are qualified by the co-manufacturers themselves. Their qualification program is audited by Vega. As mentioned above, their qualification process is also audited by a third-party audit based on GFSI.

Employee Training on Forced Labour and Child Labour

We are in the planning stages related to employee annual training on the supplier code of conduct and responsible/ethical sourcing. We intend to begin such training in Q3 2024.

How We Monitor Ourselves and Our Suppliers and Assess Effectiveness

No actions have been taken to assess ourselves and our suppliers' effectiveness in preventing and reducing risks of forced labour and child labour in their activities and supply chains. We intend to begin further engagement internally and with our suppliers on improved monitoring in Q3 2024.

We Are Aware of Risks of Forced Labour or Child Labour Use in Global Supply Chains

We consider the risk of modern slavery directly within the Vega group of personnel to be extremely low to non-existent. This is because all natural persons involved in Vega's day-to-day operations are employed by or in a formalized consulting relationship with Vega and have been subject to background checks.

Vega recognizes that it has lower visibility and control over our manufacturing and distribution partners. We also have less control and visibility over raw materials sourced on our behalf by our co-manufacturers. In particular, those co-manufacturers might produce raw materials in countries with a higher risk or incidence of modern slavery or forced labour.

We currently procure a significant volume of key raw materials from China, which has a higher vulnerability to modern and forced labour. In terms of prevalence of modern slavery, China ranks 111th globally and 19th within Asia and the Pacific, according to the 2023 Global slavery index by WalkFree (an international human rights group focused on the eradication of modern slavery, in all its forms). Whilst forced labour has not been historically prevalent in the agricultural and food processing sectors that we source our ingredients from, we note that some risk remains.

Our other potentially higher risk raw material is Cocoa powder procured from West African sources. We source our cocoa products through Barry Callebaut, who have a robust human rights and modern slavery policy in place.

Barry Callebaut's own factory sites comply with SEDEX and regular SMETA audits are conducted which cover (Child) Labor, Health & Safety, Environment and Business Ethics standards.

We believe the highest risk for child labor in our supply chain stems from the cocoa sourced from Ghana and Côte d'Ivoire, where an estimated 1.56 million children were involved in child labor for cocoa cultivation in 2018/19, primarily on family-owned farms. As such, Barry Callebaut conducts in-depth Human Rights Impact Assessments (HRIA) for the main cocoa sourcing countries and regions. Results of the HRIA are used to prioritize and develop interventions and engagement with suppliers. This is followed by in-depth, independent Human Rights Impact Assessments (HRIAs) for all the main cocoa sourcing countries and regions.

Our cocoa supplier, Barry Callebaut, maintain practices documented in their Forever Chocolate commitment. Accordingly, they strongly condemn all forms of child abuse, including forced labor, slavery, child labor and all practices that exploit children and adults or expose them to harmful or hazardous conditions.

How We Have Addressed Reported Risks or Use of Forced Labour or Child Labour in our Supply Chains

Vega has not to date faced situations of forced labour or child labour and has therefore not had to remedy and rectify such situations.

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.

Lee Meyers, CEO

30th May 2024

A handwritten signature in black ink that reads "Lee Meyers". The signature is written in a cursive, flowing style.

I have the authority to bind Sequel Naturals ULC (Vega)