



*Bill S-211: Fighting Against
Forced & Child Labour in
Supply Chains Act*

Silver Valley Farms Ltd.
Supply Chain Report

For the Financial Year Ended March 31, 2024

Introduction

This report has been prepared by Silver Valley Farms Ltd. (the “Company”) operating in the Agri-Foods industry and, together with various subsidiaries, are engaged in the farming, harvesting, processing in North America and marketing of fruit products globally. The disclosure provided herein is in response to the reporting requirements under Canada’s Bill S-211 *Fighting Against Forced Labour and Child Labour in Supply Chains Act* (the “Act”) for the financial year ending March 31, 2024.

The Company acknowledges the risks of forced labour and child labour in the global supply chain. They are committed to continuous improvement in due diligence, risk assessment, remediation, and training processes. They are also committed to promoting labour practices that protect the safety and human rights of our workers, contractors, and suppliers, as well as preventing and mitigating the risks of forced labour and child labour in their operations and supply chains.

A. Structure, Activities, and Supply Chains

Structure

The Company is classified as a British Columbia corporation and has been in the fruit production business for over 40 years – building on a strong foundation in British Columbia and expanding its farming, processing, and market reach across North America.

Silver Valley Farms Ltd. (“SVF”) is based in Maple Ridge, BC and, having met the reporting requirements outlined in the Act during the last financial year, is considered an ‘entity’. It has three (3) subsidiary operations that are included in the scope of this report:

- Atlantic Blueberry Company (“ABC”), Hammonton, NJ
- Atlantic Blueberry Farms, Inc. (“ABF”), Hammonton, NJ
- SVF Bloomingdale, Inc. (“SVFB”), Bloomingdale, MI

The four (4) operations which are in scope for this report are collectively referred to as “the Group of Companies.”

11088050 Canada Corporation and SVF USA Holdings, Inc. are also owned by Silver Valley Farms but are excluded from the scope of this report because they are not processing businesses nor importers of foreign goods or services.

Memberships:

- BC Blueberry Council
- Canadian Horticultural Council
- US High-Bush Blueberry Council

Activities

Silver Valley Farms Ltd. purchases, packs, processes, markets and distributes fresh and frozen fruit for retail, food service and industrial markets throughout North America and globally. The company has developed a dedicated network of grower groups that it works closely with in each of its operating regions.

Atlantic Blueberry Company operates blueberry farms and fruit processing facilities in the state of New Jersey, USA.

Atlantic Blueberry Farms, Inc. owns the property, facilities and equipment in which Atlantic Blueberry Company operates.

SVF Bloomingdale, Inc. is a packaging facility that packages frozen fruit for retail purchase.

Supply Chain

The majority of the Group of Company's supply chain is local to the regions in which they operate, with most vendors and suppliers being located in the same cities as our operations. For processing operations (Silver Valley Farms, Atlantic Blueberry Company and SVF Bloomingdale), the bulk of inputs are for farming, fruit purchases and labour. Specialty processing equipment is purchased from North American and European suppliers.

At Silver Valley Farms Ltd. blueberries are supplied from a group of local farms. It processes the fruit as fresh or frozen product, each with their own production lines and teams. Processing operation inputs include labour, both as employees of the company and external contractors, fruit and general supplies and packaging.

Atlantic Blueberry Company, as a farm and processing facility, has inputs similar to that of Silver Valley Farms.

Atlantic Blueberry Farms, Inc. as owner of the property and processing facilities in New Jersey, has as its primary supply chain the processing equipment itself.

SVF Bloomingdale, Inc. is a packaging facility that uses fruit and packaging supplied from other companies within the group, and as such has a supply chain that is limited to safety, packaging and related supplies, utilities and processing labour.

Table 1. Supply Chain Input Summary

Category	Input	Operation	Description
Materials & Packaging	Farming	ABC	Service provided by local individuals, external contractors to grow and harvest fruit products
	Purchases – Fresh	SVF, ABC, ABF	Fruit purchases from North American farmers
	Purchases – Frozen	SVF	Fruit purchases from local and global suppliers
	Packaging	SVF, ABC, SVFB	Local and global purchases
	Hauling	SVF, ABC, SVFB	Transportation of fruit to processing facilities provided by local trucking companies
Production Inputs	Wages	SVF, ABC, SVFB	Internal wages for production and supervisory staff
	External Services	SVF, ABC, SVFB	Service provided by local, external contractors for various maintenance and specialty activities
	Utilities & Fuels	SVF, ABC, SVFB	Inputs of electricity, natural gas, diesel, gasoline, and propane for heating, powering equipment, and running mobile equipment, provided by local utility companies and fuel suppliers
	Supplies	SVF, ABC, ABF, SVFB	Broad category of supply chain inputs including farm and production consumables, equipment parts, electrical equipment, lubricants and greases, safety supplies, and safety equipment, provided by primarily local suppliers and distributors
Transportation	On Road	SVF, ABC	Transportation of finished products provided by local trucking companies
	Rail	SVF, ABC	Transportation of finished products provided by rail companies
Information Technology	Hardware / Software	SVF, ABC, SVFB	IT tools for staff and equipment provided by North American companies

B. Policies and Due Diligence Processes

The Group of Companies has taken steps to prevent and reduce the risk of forced labour and child labour in its operations and supply chains through the actions and process of internal policies, Fair Trade USA Certification, and compliance with the contractual requirements of customers. These are embedded into broader policies that govern the organizations' business conduct and focus on positive social impacts.

The Group of Companies all abide by prescribed codes of conduct which specifically address labour issues, including clauses that specify permitted age thresholds for employment, and requiring that the hiring of young employees up to the age of 18 are required to have the written consent of a parent or guardian. The Company has adopted an Illegal Labour Policy includes specific prohibitions around the use of child labour, forced labour and human trafficking.

Silver Valley Farms is Fair Trade USA Certified with respect to its farming operations and fresh berry processing plant. Module 2 of the Agricultural Production Standard 1.2.0 United States Amendment includes the prohibition of child labour or unfair labour practices throughout the organization's supply chain.

"The requirements in this module are based on the principles and rights outlined in the following ILO Core Conventions:

- *Forced Labour Convention, 1930 (No. 29) and the Abolition of Forced Labour Convention, 1957 (No. 105), related to prohibition of forced or bonded labor;*
- *Minimum Age Convention, 1973 (No. 138), related to ensuring that children below a minimum age are not employed;*
- *Worst Forms of Child Labor Convention, 1999 (No. 182), related to protecting children from hazardous work and exploitation;*
- *Freedom of Association and Protection of the Right to Organise Convention, 1948 (No. 87); and,*
- *Equal Remuneration Convention, 1951 (No. 100) and Discrimination in Respect of Employment and Occupation, 1958 (No. 111)."* (Fair Trade USA, 2021, p. 33).

Suppliers to the Group of Companies are contractually obligated to maintain labour conditions that are in compliance with internationally accepted good labour practices and relevant local laws and industry standards, and to promote sustainable conditions through which workers earn fair wages in safe workplaces, with no forced labour permitted. However, no verification measures are currently employed, with the exception of contracted labour suppliers.

C. Forced Labour and Child Labour Risk

To date, the Group of Companies' approach has focused on the risks to employees and contractors in our operations, including working toward a proactive, interdependent safety culture, respecting human rights, and protecting new and young workers.

The Group of Companies has conducted a review of its major supply chain components to identify areas where there is potential for forced or child labour. The primary geographic location of suppliers is within North America and is covered by national legislation and regulation prohibiting the use of forced labour or child labour. The certifications, policies and audit practices describe in the section above ensure steps are in place to reduce labour-related risks.

Risks are currently defined as:

- Low: the product or country of origin of a tier 1 supplier is not identified as high-risk
- Moderate: more information about higher tier suppliers is required or higher tier suppliers are identified as high risk
- High: the product or country of origin of a tier 1 supplier is identified as high-risk

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Additional details from the risk assessment are provided below.

Table 2. Supply Chain Risk Summary

Category	Input	Operation	Risk	Description
Materials & Packaging	Farming	ABC	Low	Local labour and services governed by US and Canadian state/provincial and federal laws. Labour risks are mitigated by policies, certifications and audit standards.
	Purchases – Fresh	SVF, ABC	Low	
	Purchases – Frozen	SVF	Low	
	Packaging	SVF, ABC, SVFB	Low	
	Hauling	SVF, ABC, SVFB	Low	
Production Inputs	Wages	SVF, ABC, SVFB	Low	Local labour governed by US and Canadian state/provincial and federal laws.
	External Services	SVF, ABC, SVFB	Low	Local labour and services governed by US and Canadian state/provincial and federal laws.
	Utilities & Fuels	SVF, ABC, SVFB	Low	Utility providers are regulated under jurisdictional laws. Fuels are sourced from local suppliers.
	Supplies	SVF, ABC, ABF, SVFB	Moderate	Insufficient information from suppliers about the risks associated with their products. Most suppliers are located in North America and subject to jurisdictional laws.
Transportation	On Road	SVF, ABC	Low	Local labour and services governed by US and Canadian state/provincial and federal laws.
	Rail	SVF, ABC	Low	
Information Technology	Hardware / Software	SVF, ABC, SVFB	Moderate	Insufficient information from suppliers about the risks associated with their products. Most suppliers are located in North America and subject to jurisdictional laws.

Most supply chain categories have been assessed as low risk. The 'Supplies' and 'Information Technology' categories will require further investigation to properly identify the risk in the supply chains of these suppliers. Based on currently available information, the products or countries of origin for these categories are considered low risk.

The Group of Companies acknowledge that further understanding the risks of forced and child labour in our supply chains is an important next step to develop targeted actions and engagement with our suppliers. They are committed to improving their understanding of these supply chain risks, by engaging in additional research, mapping of supply chains, and supplier feedback mechanisms.

D. Remediation Measures

The Group of Companies has not identified any forced labour or child labour in its business or supply chain. As a result, it has not had to take any measures to remediate or eliminate any forced labour or child labour.

E. Remediation of Loss of Income

The Group of Companies has not remediated any forced labour or child labour in its business or supply chain. As a result, it has not had to take any measures to remediate any corresponding loss of income.

F. Training

The Group of Companies maintains a training program to ensure employee familiarity with current policies. This training includes compliance related topics with respect to forced labour and child labour clauses within company policy and local laws. These are conducted during their onboarding and reviewed annually. Supervisors and Managers receive additional focused training on all policy areas. Third party training is also provided to employees on a periodic basis, including from FarmSafe in Canada and OSHA in the United States.

In addition, labour contractors are required to review, and acknowledge the Group of Companies' policies on an annual basis.

G. Assessing Effectiveness

Auditing and assessment specific to the certifications and policies are conducted on a regular basis, and any non-compliance is addressed promptly with corrective action plans. With no identified instances of forced or child labour identified, the Company has not been able to definitively assess the effectiveness of mitigation measures in place.

Continuous Improvement

The Company is committed to ensuring an ethical supply chain management system and an operating environment that is free from forced and child labour. Through this assessment and reporting process, we acknowledge that a continuous improvement plan is required to inform a gap analysis and generate actions and interventions. The Company undertakes to:

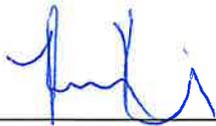
- review the supply chain reports of other, BC based agri-foods companies to identify best practices,
- develop and implement targeted supply chain risk management awareness training for procurement staff and senior leadership, and
- develop a risk assessment and mitigation continuous improvement framework for our supply chain labour risks.

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.

Dated in the City of Maple Ridge, British Columbia, this 31st day of May 2024.

I have the authority to bind 'Silver Valley Farms Ltd.'



Raymon Biln
President