



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

**Snowcrest Foods Ltd.**

**Supply Chain Report**

For the Financial Year Ended March 31, 2024

## **Introduction**

This report has been prepared by Snowcrest Foods Ltd. (the “Company”) operating in the Agri-Foods industry and engaged in the packing frozen fruit in Canada and the marketing of frozen fruit products through North America. 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**

Snowcrest Foods Ltd. is classified as a Canadian corporation that has been in the fruit production, packing and marketing business for over 60 years in British Columbia.

The Company purchases frozen fruit locally and globally and packs the product in consumer ready packaging for third party clients and under its own retail brand.

The primary inputs at Snowcrest are fruit, labour and packaging supplies. Fruit inputs are sourced globally from third party fruit suppliers. The company packages and markets the finished products under retail co-pack agreements and under its own brand. The remainder of the Company’s supply chain is mostly local to British Columbia, Canada, with the majority of vendors and suppliers being located in the same cities as our operations. The bulk of inputs are for fruit, packaging and labour. Specialty processing equipment is purchased from North American and European suppliers.

Table 1. Supply Chain Input Summary

Category	Input	Description
Materials & Packaging	Frozen fruit purchases	Fruit purchases from local and global suppliers
	Packaging	Local and global purchases
	Hauling	Transportation of fruit to processing facilities provided by local trucking companies
Production Inputs	Wages	Internal wages for production and supervisory staff
	External Services	Service provided by local, external contractors for various maintenance and specialty activities
	Utilities & Fuels	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	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	Transportation of finished products provided by local trucking companies
	Rail	Transportation of finished products provided by rail companies
Information Technology	Hardware / Software	IT tools for staff and equipment provided by North American companies

## **B. Policies and Due Diligence Processes**

The Company 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, compliance with the contractual requirements of customers, and third-party auditing that encompass a variety of issues including labour practices. These are embedded into broader policies that govern the organizations' business conduct and focus on positive social impacts.

The Company abides 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.

Snowcrest Foods Ltd. has a defined Illegal Labour Policy, with specific prohibitions around the use of child labour, forced labour and human trafficking. In the last year, the company conducted a SMETA audit to ensure compliance of its supply chain with Labour standards as one of four main assurance principles.

Suppliers to the Company 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.

### **C. Forced Labour and Child Labour Risk**

To date, the Company's 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 Company 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

Additional details from the risk assessment are provided below.

Table 2. Supply Chain Risk Summary

Category	Input	Risk	Description
Materials & Packaging	Purchases – Frozen	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.
	Packaging	Low	
	Hauling	Low	
Production Inputs	Wages	Low	Local labour governed by Canadian provincial and federal laws.
	External Services	Low	Local labour and services governed by US and Canadian state/provincial and federal laws.
	Utilities & Fuels	Low	Utility providers are regulated under jurisdictional laws. Fuels are sourced from local suppliers.
	Supplies	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	Low	Local labour and services governed by US and Canadian state/provincial and federal laws.
	Rail	Low	
Information Technology	Hardware / Software	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 Company acknowledges 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 Company 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 Company 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 Company 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.

#### **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 Companies undertake 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 'Snowcrest Foods Ltd.'



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Raymon Biln  
President