

Canadian Statement Against Forced Labour and Child Labour in Supply Chains
pursuant to an Act to enact the Fighting Against Forced Labour and Child Labour in
Supply Chains Act and to amend the Customs Tariff,
referred to as Canada’s “*Modern Slavery Act*” (the “**Act**”)
for the year ending 2024.

1. INTRODUCTION

This is a statement made by Tropicana Beverages Canada ULC, in respect of the Act, as referenced above. Tropicana Beverages Canada ULC is an unlimited liability company incorporated pursuant to the laws of British Columbia, Canada, with a principal place of business of 2425 Matheson Boulevard East, Mississauga, Ontario L4W 5K4.

2. REPORTING ENTITY

This report is being filed on behalf of Tropicana Beverages Canada ULC, which is a wholly owned subsidiary of Naked Juice LLC, a limited liability company incorporated in Pennsylvania, United States. Naked Juice LLC is a wholly owned subsidiary of New Tiger LLC, a limited liability company incorporated in Delaware, United States. Tropicana Beverages Canada ULC is the only entity that is required to report under the Modern Slavery Act, pursuant to the Act’s “reporting entity” requirements.

3. STRUCTURE, ACTIVITIES AND SUPPLY CHAINS

Tropicana Beverages Canada ULC is a subsidiary of US-based entities that manufacture and distribute juice and other beverages (together, “Tropicana”, or “we”). Tropicana was founded in 1947 in Bradenton, Florida, United States. Since then, Tropicana has grown to be a large producer of branded juice products, including Tropicana, Naked, KeVita, Izze, Dole, and Copella. The current business structure of Tropicana is a result of a joint venture between PepsiCo, Inc. (United States-based corporation) and PAI (France-based private equity company), which created Tropicana in a transaction that closed on January 24, 2022. Prior to this date, the brands owned by Tropicana were owned and operated by PepsiCo, Inc.

Tropicana manufactures and distributes juice products globally, and sells and distributes juice products into Canada via its Canadian-based entity, Tropicana Beverages Canada ULC. The entirety of Tropicana products entering the stream of commerce in Canada are manufactured and distributed by US-based companies, the majority of which Tropicana owns and directly operates. In the United States, Tropicana purchases fruits, fruit juices, and packaging, and manufactures juices in its facilities based in California and Florida. It distributes these beverages through facilities and corporate entities based in California, Florida, Ohio, New York, and New Jersey.

For purchasing activities, Tropicana primarily purchases the following types of products domestically within the United States: packaging, and flavoring. Tropicana primarily purchases fruit, juices, and other agricultural products both within the United States and from Mexico, Brazil and the Philippines.

Once purchased, the juice is manufactured primarily by US-based Tropicana employees located in California and Florida. The manufacturing process includes fruit processing and packaging.

Additionally, Tropicana utilizes co-manufacturers when appropriate to manufacture certain beverage products. For products entering the stream of commerce into Canada, those co-manufacturers are entirely based in the United States.

After the products are manufactured, Tropicana distributes them through a variety of means, including freight and trucking operations. Distribution of Tropicana products is performed by a combination of US-based Tropicana employees or US-based employees of transport vendors.

4. POLICIES AND DUE DILIGENCE PROCESSES IN RELATION TO FORCED LABOUR AND CHILD LABOUR

Internal Policies:

Tropicana has a number of policies specific to preventing forced labour and/or child labour. For Tropicana employees, we have a Global Code of Conduct that reinforces our policies. We expect all employees to comply with all laws and regulations without compromise, as well as all other Tropicana policies. Specifically, Tropicana's Human Rights Workplace Policy "prohibits the use of all forms of forced labor, including prison labor, indentured labor, bonded labor, military labor, slave labor and any form of human trafficking." Further, all Tropicana employees to maintain an environment that prohibits "child labor, forced labor, and human trafficking," along with providing "humane and safe working conditions." Under this policy, Tropicana "prohibits the hiring of individuals under the age of 15 or the local legal minimum working age or the compulsory schooling age, whichever is higher."

Tropicana's Human Rights Workplace Policy incorporates the principles contained in the International Bill of Human Rights, International Labor Organization Declaration on Fundamental Principles and Rights at Work, United Nations Global Compact, and the United Nations Guiding Principles on Business and Human Rights.

Further, Tropicana has a Global Human Rights policy, under which we commit to respecting human rights in our direct operations and relationships with business partners. Pursuant to this policy, we manage human rights risks through shared responsibility between our Human Resources and Legal Department. Between these two functions, our Global Human Rights policy outlines how we assess human rights impacts, integrate human rights findings, provide possible remedies, and engage external stakeholders when necessary.

Finally, as a part of Tropicana's Sustainable Agriculture Policy, Tropicana "aims to protect farm workers and improve the community's wellbeing and environment," which includes "proactively manag[ing] health and safety risks and allow[ing] employees to receive fair and reasonable treatment with respect to working hours, wages and benefits, and accommodations."

External Policies:

Tropicana requires all its vendors, suppliers, and business partners to incorporate Tropicana's Global Supplier Code of Conduct into all of its contracts. The Global Supplier Code of Conduct requires all suppliers, vendors, contractors, agents, and other providers of goods and service to comply with the policy. This policy explicitly prohibits the use of child labour, and requires all suppliers to "adhere to the minimum age limit defined by national law or regulation and comply with relevant International Labor Organization (ILO) standards." Additionally, the policy

provides that “in no instance shall a supplier permit children to perform work that exposes them to undue physical risks that can harm their physical, mental, or emotional development or improperly interfere with their education or vocational needs.” The policy also allows Tropicana to conduct reasonable audits, as necessary, and also requires suppliers to have a system in place to allow for reporting of suspected violations of the policy.

5. PARTS OF BUSINESS AND SUPPLY CHAINS THAT CARRY A RISK OF FORCED LABOUR AND CHILD LABOUR AND STEPS TAKEN TO ASSESS AND MANAGE THAT RISK

Because the operations for products entering Canada are entirely manufactured within the United States, and primarily by employees Tropicana employs directly, the risk of forced labour or child labour is very low. Tropicana is compliant with the laws and regulations of the states in which we operate in the United States, and all states require that we employ individuals who are authorized to work. We only hire employees who are over the age of 18 and have sufficient documentation to confirm they are eligible to work in the United States.

The highest risk areas for forced labour or child labour Tropicana Beverages Canada ULC has identified lie further back within Tropicana’s supply chain. Tropicana primarily purchases fruits, juices, flavorings, extracts, and packaging from third-party suppliers. While some of these suppliers source and operate domestically, much of our agricultural spend comes from companies sourcing products from countries like Mexico, Brazil, and the Philippines which Tropicana has internally determined as higher risk than the United States or Canada for issues such as forced labour or child labour due to the labor-intensive fruit harvesting processes. While these activities are higher risk, Tropicana has not identified any specific instances of forced labour or child labour.

6. MEASURES TAKEN TO REMEDIATE FORCED LABOUR AND CHILD LABOUR

Within the Tropicana network, Tropicana maintains a robust approach to eliminate forced labour and child labour. All employees must be aged 18 or older to work directly for Tropicana, and we utilize the United States’ E-Verify system to confirm they are authorized to work, meaning they have appropriate documentation that would allow them to receive wages within the United States. In addition to Tropicana’s policies and hiring practices, Tropicana also requires annual training and attestation for all employees on the Code of Conduct and associated policies, including Tropicana’s Human Rights Workplace Policy, Global Human Rights Policy, and Sustainable Agriculture Policy. To the extent any Tropicana employee is concerned there is any violation within the company or its suppliers, they are encouraged to utilize a number of reporting mechanisms, including an anonymous hotline

Tropicana requires all suppliers to sign on to Tropicana’s Global Supplier Code of Conduct and include contractual clauses that enforce compliance with anti-slavery, forced labour, and child labour. Specifically, Tropicana’s main orange suppliers in the United States and Brazil are both certified as sustainably sourced under the SAI Platform Silver Standard, which covers labor practices, and our main orange supplier in Brazil became certified under this standard at Tropicana’s request, pursuant to our supply agreement. Additionally, Tropicana utilizes a risk-based approach to map our supply chain to understand and evaluate potential risk areas. While the current business entities that make up Tropicana, including Tropicana Beverages Canada

ULC, are fairly recently formed, the majority of Tropicana's higher-risk suppliers were engaged and onboarded while the business was controlled and operated by PepsiCo, Inc. PepsiCo, Inc. has a robust onboarding process for its suppliers, including an analogous supplier code of conduct with open-access training. In addition to policies, PepsiCo, Inc. performed due diligence on its highest risk suppliers (in turn, Tropicana's current higher risk suppliers) through its Human Rights Assessment Program, which includes audits conducted by independent, third-party auditors that align with Sedex Members Ethical Trade Audit (SMETA) protocol requirements. This due diligence also includes remote monitoring tools, such as worker voice surveys, to collect anonymous worker feedback on key issues such as workplace safety, working hours, and labour standards.

While the majority of Tropicana's external suppliers were onboarded under PepsiCo, Inc., Tropicana continues to monitor, evaluate and report on higher-risk activities within its supply chain. Tropicana's procurement team has visited the primary agricultural suppliers, both within the United States and in Mexico and Brazil. Through these visits, Tropicana was able to confirm its suppliers were upholding their commitments outlined in the Global Supplier Code of Conduct. Additionally, on-site visits help us better understand the harvesting process, which equips Tropicana with continuous learning and improvement in our efforts to confirm our supply chain does not utilize forced labour or child labour.

Tropicana has not identified any specific instances of forced labour or child labour in its supply chains.

7. MEASURES TAKEN TO REMEDIATE LOSS OF INCOME TO MOST VULNERABLE FAMILIES THAT RESULT FROM MEASURES TAKEN TO ELIMINATE USE OF FORCED LABOUR AND CHILD LABOUR

Internally, Tropicana's employees are all compensated above any minimum-wage requirements within each state in the United States in which Tropicana operates. Tropicana employees also have access to employer-sponsored health and welfare coverage. Additionally, Tropicana pays its employees all wages earned in a timely manner, and at a minimum, bi-weekly, and any Tropicana employee who wishes to leave employment will be paid all wages owed in a timely manner.

Externally, through its Global Supplier Code of Conduct, Tropicana requires its suppliers to treat its employees fairly, including with respect to wages, working hours and benefits. Specifically, the policy requires suppliers to "comply with all applicable wage, working hours, and benefits laws and regulatory requirements." The policy also asks suppliers to "meet international standards for working hours and rest periods. Tropicana also asks that if its supplier does not meet these international standards, that it conduct a root cause assessment and remediate its practices.

Tropicana did not identify any instances of forced labour or child labour in its supply chains, so did not have to take any measures to remediate loss of income to the most vulnerable families that resulted from measures taken to eliminate the use of forced labour and child labour.

8. TRAINING PROVIDED TO EMPLOYEES ON FORCED LABOUR AND CHILD LABOUR

Tropicana requires its employees to complete an annual training on Tropicana's Code of Conduct and associated policies. Tropicana tracks attendance for this training, which is an annual requirement. The training is interactive and self-guided, with modules on anti-harassment/global human rights, anti-bribery and anti-corruption, anti-discrimination, and conflicts of interest. Before an employee is allowed to "complete" the training, they must participate in every aspect, including interactive questions and answers with explanations, and must open Tropicana's policies and acknowledge they have read and understood them. Tropicana continues to evaluate its trainings and is committed to providing comprehensive training to its employees with respect to forced labour and child labour.

9. HOW ENTITY ASSESSES ITS EFFECTIVENESS IN ENSURING THAT FORCED LABOUR AND CHILD LABOUR IS NOT BEING USED IN ITS BUSINESS AND SUPPLY CHAINS

Internally, in addition to requiring annual training directed at policies targeting anti-trafficking, slavery, and forced labour, Tropicana employees are encouraged to report any violations of the law, regulations, or policies to managers, HR business partners, the Legal Department, which manages compliance, or through Tropicana's anonymous third-party hotline, which can be utilized via phone or web.

Externally, Tropicana routinely visits our highest-risk suppliers of agriculture in Brazil and Mexico to ensure compliance with Tropicana's Global Supplier Code of Conduct and to assess any additional areas that require remediation or mitigation. Tropicana also continues to review best practices and industry standards for supply chain compliance, and when appropriate, requests changes to practices for suppliers. While Tropicana has not identified any instances of forced labour or child labour in its supply chains, it continues to monitor and develop assessment protocols to ensure ongoing compliance.

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. For clarity, I am providing this attestation in my capacity as a director and officer of Tropicana Beverages Canada ULC and not in my personal capacity.

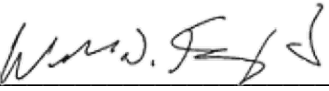
TROPICANA BEVERAGES CANADA ULC

By: 

Name: Glen Walter

Title: President and Director, Tropicana Beverages Canada ULC

Date:

By: 

Name: William Kelley

Title: Director, Tropicana Beverages Canada ULC

Date: