



## 2023 Report on Forced and Child Labour in Supply Chains Act

*This report has been prepared by **Upper Canada Soap and Candlemakers Corporation** (hereinafter referred to as “**Upper Canada**”) in response to the reporting requirements for “**Fighting Against Forced Labour and Child Labour in Supply Chains Act**”. The report has been organized to ensure compliance with the “**Acts**” reporting requirements. **Upper Canada UK** (a subsidiary of **Upper Canada Soap and Candlemakers Corporation**) is reporting under the **UK Modern Slavery Act of 2015**.*

### 1. Statement:

Upper Canada and its subsidiaries are committed to ethical business practices and human rights. We believe that every individual deserves dignity, safety, and fair compensation. We stand united against exploitation and work diligently to create a supply chain that upholds these principles.

By adhering to these values, we contribute to a world where forced labour and child labour are eradicated, and workers are treated with the respect they deserve.

### 2. Steps to Prevent and Reduce Risks of Forced Labour and Child Labour

Upper Canada and its subsidiaries recognize the importance of ethical supply chain practices. While we acknowledge that significant steps are yet to be taken, we are committed to making positive changes going forward.

Our current efforts include conducting **social audits** upon request from specific retailers. These audits allow us to assess our supply chain, identify areas for improvement, and ensure compliance with labour standards.

Moving ahead, we pledge to:

**Create Supplier Code of Conduct:** We will develop a comprehensive Supplier Code of Conduct that outlines our expectations for suppliers regarding labour standards, environmental responsibility, ethical business practices, and continuous improvement.

**Collaborate:** We will work closely with suppliers, industry partners, and stakeholders to collectively address these critical issues.

**Transparency:** We will transparently report our progress and actions taken in subsequent supply chain risk reports.

**Continuation:** We commit to the continuation of our social compliance audits when requested by key retailers.

At Upper Canada, we believe that continuous improvement is essential. By taking these steps, we aim to create a supply chain that upholds human rights, dignity, and fair treatment for all workers.

### 3. Structure, Activities and Supply Chains

Upper Canada, a privately held company headquartered in Mississauga, Ontario, specializes in distributing bath, beauty, and wellness products primarily to mass retail outlets in the USA and Canada. With a workforce of 90 employees in North America, our operations cover various aspects, including product development, distribution, and administration.

Our supply chain is robust, with the majority of our products sourced from China, supplemented by suppliers located in Italy, the UK, Europe, Canada and Southeast Asia. These regions serve as the primary sources for our products, facilitating their development and manufacturing, ensuring high quality and competitive pricing. We have dedicated consultants in China responsible for development, inspection, administration, and logistics, ensuring seamless coordination and quality control.

Our commitment to delivering high-quality products is evident in our distribution to mass retail outlets, ensuring accessibility for consumers across North America. We prioritize upholding transparency, integrity, and ethical standards as fundamental pillars of our operations.

Additionally, Upper Canada UK, a wholly owned entity of Upper Canada, based in London, England, employs 40 individuals and primarily focuses on distributing products to the UK and European markets. In the USA, the UK distribution arm operates under Vintage UK LLC, a wholly owned subsidiary of Upper Canada UK. Vintage UK LLC is dedicated to distributing our products primarily to mass retail outlets in the USA.

#### 4. Policies and Due Diligence in Relation to Forced Labour and Child Labour

Upper Canada and its subsidiaries recognize the urgency of addressing forced labour and child labour within our supply chain. While we are in the process of creating our Supplier Code of Conduct, we commit to the following actions:

**Policy Development:** We will develop clear and comprehensive policies explicitly addressing forced labour and child labour. These policies alongside the development of our Supplier Code of Conduct, will outline our zero-tolerance stance and the steps we will take to prevent, detect, and respond to any violations.

**Due Diligence Process:** As part of our due diligence, we will conduct thorough assessments of our suppliers. This process will involve risk identification, evaluation, and ongoing monitoring. We will collaborate with industry experts and organizations to enhance our understanding of best practices.

**Education and Training:** We will educate our employees, suppliers, and relevant stakeholders about the risks associated with forced labour and child labour. Training programs will emphasize compliance with our policies and legal requirements.

**Supplier Engagement:** While our Supplier Code of Conduct is under development, we will engage with our suppliers to raise awareness of our commitment to ethical practices. We will encourage their alignment with our values and seek their input on the forthcoming code.

**Transparency:** As we progress, we will communicate openly about our efforts to combat forced labour and child labour. Transparency will be a cornerstone of our approach.

#### 5. Risk Assessment within our Supply Chain

Upper Canada Soap acknowledges that while we have not yet formally assessed the risks within our supply chain, we are acutely aware that sourcing the majority of our goods from China introduces potential risks relating to forced labour and child labour.

Moving forward, we are fully committed to addressing these challenges:

**Risk Assessment:** We will initiate a comprehensive risk assessment, specifically focusing on forced labour and child labour. This assessment will involve thorough due diligence & supply chain mapping.

**Transparency:** We will be transparent about our findings and progress. Our commitment extends beyond compliance; we aim to create a supply chain that upholds human rights and ethical practices.

**Mitigation Strategies:** We will actively implement mitigation strategies, including the development of a robust Supplier Code of Conduct. This code will set clear expectations for our suppliers and guide our collective efforts toward responsible sourcing.

#### 6. Remediation Measures

In response to the risks associated with forced labour and child labor, Upper Canada is committed to implementing robust remediation strategies. Our approach includes:

**Early Intervention:** Swiftly identifying any instances of forced labour or child labour within our supply chain.

**Collaboration:** Working closely with suppliers to address violations and drive positive change.

**Corrective Actions:** Taking immediate steps to rectify any exploitation found.

**Support for Workers:** Ensuring affected workers receive necessary support during remediation efforts.

## 7. Training

At Upper Canada, we recognize that our employees play a crucial role in ensuring ethical practices within our supply chain. We are wholeheartedly committed to training and educating our team members who interact with suppliers. Specifically, we will:

**Raise Awareness:** Provide comprehensive training on recognizing signs of forced labour and child labour. Our employees will understand the red flags and be equipped to take appropriate action.

**Supplier Code of Conduct:** Familiarize employees with our forthcoming Supplier Code of Conduct, emphasizing its significance in upholding human rights and ethical standards.

**Reporting Procedures:** Educate employees on reporting mechanisms. If they encounter any concerns related to forced labour or child labor, they will know how to escalate the issue promptly.

## 8. Assessing Effectiveness

While we have not yet initiated our assessment processes, Upper Canada is wholeheartedly committed to evaluating the effectiveness of our efforts in combating forced labour and child labour. We recognize the urgency of this task and pledge to diligently measure our progress, adapt our strategies, and hold ourselves accountable. By actively monitoring and assessing our actions, we aim to create a supply chain that aligns with our values and ensures the well-being of workers.

## 9. Approval and Attestation

I, as the Owner & CEO of Upper Canada Soap and Candlemakers Corporation, hereby affirm our commitment to ethical practices, human rights, and the eradication of forced labour and child labour within our supply chain. We pledge to diligently assess our efforts, collaborate with stakeholders, and take decisive action to create a responsible and sustainable sourcing ecosystem. Our dedication extends beyond compliance; it reflects our core values and our responsibility to workers, consumers, and society at large.

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.

Stephen Flatt  
CEO  
Upper Canada Soap and Candlemakers Corporation  
May 8<sup>th</sup>, 2024

A handwritten signature in black ink, appearing to read "Stephen Flatt", is written over a horizontal line.

I have the authority to bind Upper Canada Soap and Candlemakers Corporation