



Report: In Compliance with Bill S-211

1. Introduction

This report outlines the steps we have taken to prevent and reduce risks associated with forced labour and child labour within our operations and supply chains, as required by subsection 11 (1) of the Act. Additionally, this report addresses the seven supplementary requirements outlined in subsection 11 (3).

2. Structure, Activities and Supply Chains

Zavida Coffee Company (Zavida) is a coffee roaster headquartered in Concord, Ontario. The corporation also operates a smaller roaster, Cafe Barista, located in Montreal, Quebec. Zavida currently employs a total of 108 employees, with 39 of them working at Café Barista. Zavida is privately owned by private equity firm BDG & Partners located in Montreal.

Zavida engages in various operations, including the importing of raw coffee materials, roasting, flavoring, and packaging coffee into whole bean, ground, and capsule consumer products.

Current Organizational Structure:

Please see "Appendix A".

3. Policies & Due Diligence Processes

In its commitment to ethical practices, Zavida has instituted a policy and due diligence processes to prevent child labour internally, in its operations. Central to these efforts is the company's "Child Labour Avoidance Policy", which strictly prohibits the employment of individuals under the age of 18. This policy is enforced through the company's recruitment process and supported by a training program. All employees whom to which do recruitment or outsource contracts/agency workers externally are trained on this policy through our HR system known as HIBOB. All agencies that Zavida works with are educated on this policy/ process.

In the event that Zavida is made aware of an agency worker being under the age of 18 years old, Human Resources or the department manager will immediately notify the agency. In the interim of a replacement, the temporary worker will be requested to stop working/ the assignment.

4. Forced Labour & Child Labour Risks

As of the current reporting period, Zavida has not identified any components of its operations or supply chains that present a risk of forced labour or child labour. Nevertheless, Zavida is proactively working to fortify its supply chain processes to further mitigate these risks. The company is in the process of implementing a "Supplier Code of Conduct" designed to uphold ethical standards across its entire supply chain, specifically addressing issues related to forced and child labour.

5. Remediation Measures



The company has introduced a comprehensive "Supplier Code of Conduct" that all suppliers must adhere to. This code outlines the expectations for ethical labor practices and mandates that suppliers confirm compliance through a signed confirmation letter. The Supplier Code of Conduct also requires suppliers to report any breaches or complaints regarding labor practices, ensuring transparency and accountability within the supply chain.

To further enforce these standards, Zavida will conduct annual audits of its suppliers. These audits will involve a detailed questionnaire that suppliers must complete, sign, and return to Zavida. This process is designed to provide Zavida with ongoing assurance that its suppliers are upholding the required labor standards and to identify any potential issues proactively. The audits will serve as an essential tool in maintaining the integrity of Zavida's supply chain and ensuring that no forced or child labor exists within it.

If any supplier is found to be non-compliant with the Supplier Code of Conduct, Zavida will take immediate corrective actions to address these deficiencies. Such measures may include additional training, implementation of stricter oversight mechanisms, or, in severe cases, termination of the business relationship. By taking these steps, Zavida Coffee aims to foster a responsible and ethical supply chain, reflecting its commitment to social responsibility and human rights.

6. Remediation of Loss of Income

Zavida, as it stands, does not have any programs in place to compensate and support individuals affected by forced labour and child labour.

7. Training

Employee Training

- All employees that are involved in the recruitment process, and or hiring of external support (contractors, agency workers etc.), are trained on the "Child Labour Avoidance Policy"
- Training is sent out through our HR System called HIBOB, and employee's sign off

External Stakeholder Training

- External stakeholders such as agencies are educated on this policy and our hiring process in the initial onboarding process

Supplier Training

- At this time, Zavida does not have any program for suppliers.

8. Assessing Effectiveness

At this time no actions have been taken to assess our effectiveness in preventing and reducing the risks of forced and child labour in our activities and supply chains. Although, as we have recently deployed




the “Supplier Code of Conduct”, we will assess our new efforts at the end of our fiscal year (February 2025). As indicated above this will be done by conducting annual audits of its suppliers.

9. Approvals & Attestation

This report has received the required approvals from BDG & Partners. Enclosed is the signed attestation by Jean-Lou Paquet, Board Member.

Attestation:

Signature: 
Name: Jean-Lou Paquet
Title: Board Member, BDG & Partners

Date: May 27, 2024

Signature: Martin Rivard
Name: Martin Rivard
Title: SVP, Strategy – Zavida Coffee Company

Date: May 23, 2024

ZAVIDA[®] COFFEE ROASTERS

Appendix A



Figure 1: Senior Leadership Team - reporting into BDG & Partners (Board of Directors)

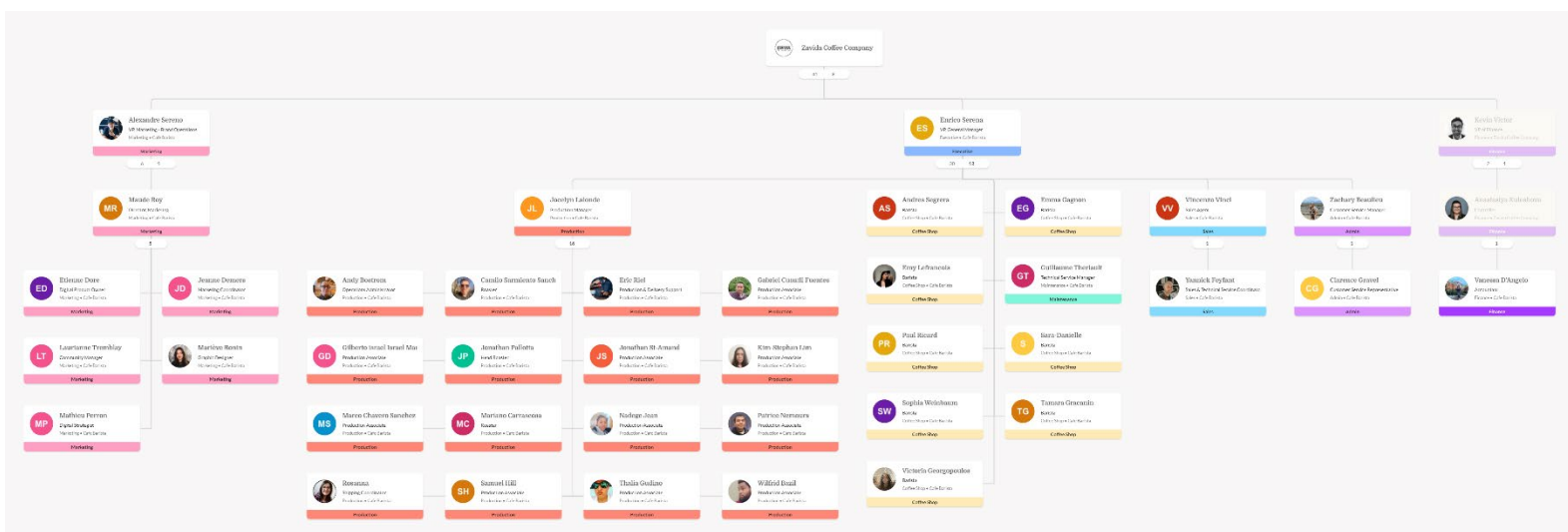


Figure 2: Cafe Barista Organizational Chart (Montreal)

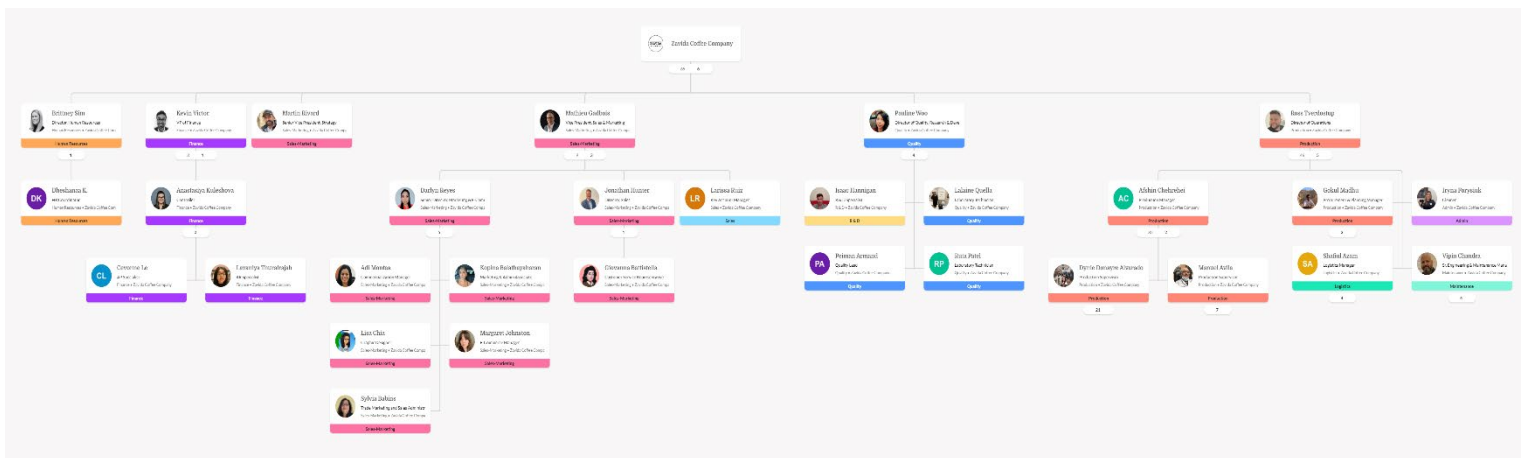


Figure 1: Zavida Coffee Organizational Chart (Toronto)