Fighting Against Forced Labour and Child Labour in Supply Chains Act Annual Report

eCycle Solutions Inc.
Head Office: 7510 Bren Rd, Mississauga, ON, L4T 2H1
Business Registration Number: 84241807
Reporting Period: Jan – Dec 2023

Bill S-211
Section 11 (1)

eCycle Solutions Inc. (eCycle) is a company specializing in electric and electronic waste management and recycling solutions. We offer services aimed at responsibly managing used electronic devices and follow the hierarchy strategies of prioritizing reuse first, followed by materials recovery for recycling into new products. eCycle provides services such as collection, assessing, testing, re-sale, sorting, dismantling, and processing of electronic waste materials. Additionally, we offer data destruction services to ensure the security of sensitive information stored on electronic devices. Overall, eCycle plays a crucial role in promoting sustainability and reducing the harmful effects of electronic waste on the environment.

All United Nations member states have embraced the 2030 Agenda for Sustainable Development, which delineates 17 global Sustainable Development Goals (SDGs). eCycle's Corporate Social Responsibility strategy has been meticulously crafted with these objectives in focus, notably aligning with Goal 8: Decent Work and Economic Growth, and specifically Target 8.7: Ending Modern Slavery, Trafficking, and Child Labour. Corporate Social Responsibility is considered and supported throughout our operations. All eCycle employees adopt Corporate Social Responsibility considerations into their day-to-day work activities. eCycle's leaders act as role models by incorporating those considerations into decision-making in all business activities.

Forced labour and child labour are elements of modern slavery. Reducing the risk of modern slavery in an e-waste company requires a comprehensive approach that addresses various aspects of the supply chain and internal operations. Here are steps that eCycle has taken:

1. Downstream Due Diligence: eCycle has conducted thorough approvals on downstream suppliers to ensure they adhere to ethical labour practices.
2. Supply Chain Transparency: Require transparency from downstream suppliers regarding their sub-contractors and supply chain partners. Understanding the entire chain helps identify potential areas of risk for modern slavery.
3. Temporary Staffing Agency Attestation: Require transparency and verify compliance with labour laws and ethical standards.
4. Code of Conduct: eCycle has implement a code of conduct that clearly outlines expectations regarding labour practices, human rights, and ethical conduct.
5. Training and Awareness: Provided training to employees on our code of conduct.

6. Whistleblower Mechanisms: eCycle has establish mechanisms for employees to report instances of modern slavery or unethical behavior confidentially and without fear of retaliation. All reported instances will be thoroughly investigated and addressed.
7. Continuous Improvement: eCycle regularly reviews and updates policies, procedures, and practices related to modern slavery to adapt to changing regulations and emerging risks. We ensure we monitor and evaluate the effectiveness of risk mitigation efforts and ensure to make adjustments as needed.

By implementing these steps, eCycle has reduced the risk of modern slavery including forced labour and child labour in our operations and supply chain, demonstrating a commitment to ethical conduct and responsible business practices.

Section 11 (3)(a)
Structure
eCycle is a corporation comprised of;

1. Four IT Asset Disposition (ITAD)/End of Life (EoL) facilities located in Quebec, Ontario, Alberta and British Columbia
2. One ITAD facility (Refreshtek Information Technology Services International Inc) located in Ontario.
3. Two scrap collection sites (Greengo Recycling) located in Ontario.

The standalone entity of eCycle Solutions Inc. meets the reporting criteria of Bill S-211, whereas Refreshtek and Greengo are exempt from this requirement.

The corporation of eCycle Solutions Inc. is structured as;

1. Board of Directors: They are responsible for overseeing the company's affairs and making major decisions.
2. Executive Leadership Team (ELT): These are the top-level executives who manage the day-to-day operations of the company. This includes the following positions: CEO (Chief Executive Officer) and President, Chairman, Deputy Chairman, COO (Chief Operations Officer), Deputy COO, CFO (Chief Financial Officer), Deputy CFO, VP (Vice President) Operations, VP Business Promotion, VP Sales and Marketing, VP Human Resources
3. Senior Leadership Team (SLT): These are the senior managers who manage the day-to-day operations of the company. This includes Director of Asset Recovery, Director of ITAD, Director of EOL Sales, Director of Commodities, Director of Compliance, Controller and Logistics Manager.
4. Departments/Divisions: eCycle comprises of multiple departments based on functions with managers such as finance, sales and marketing, human resources, logistics, operations, and compliance that report to the SLT/ELT.
5. Employees: Staff who work within the company across various levels and departments.

As of December 31, 2023, eCycle had 251 employees. eCycle also utilizes temporary workers hired through staffing agencies. That number varies day to day, but typically no more than 40.

Activities

eCycle is a company specializing in electric and electronic waste management and recycling services. Activities involve the collection, transportation, processing, re-sale and responsible disposal or recycling of electronic waste (e-waste). Material is primarily sourced within Canada but can include USA.

The following is a breakdown of activities:

Collection: eCycle collects electronic waste from various sources, including individuals, businesses, schools, and government organizations. This can include old computers, laptops, mobile phones, televisions, and other electric and electronic devices.

Transportation: After collection, eCycle utilizes a combination of our own fleet and 3rd party logistic companies to transport the electronic waste to their processing facilities. This transportation process may involve sorting and categorizing the items for efficient processing.

Assessing: Once material is received at eCycle's facilities, it is assessed according to customer contract and the recycling hierarchy of responsible management strategies prioritizing reuse first, followed by materials recovery for recycling into new products

Processing: At their facilities, eCycle processes the electronic waste through various methods. For re-use, equipment is tested for functionality and any data is wiped/destroyed. For end of life, processing can include disassembly, shredding, and sorting of components into recyclable materials such as metals, plastics, glass, and other valuable resources.

Resale: After ensuring that the equipment functions properly and removing all data, it is then returned to the market for sale.

Recycling: Once the electronic waste is processed, eCycle focuses on recycling as much of the materials as possible. This may involve sending materials to specialized recycling facilities or partnering with recycling companies to ensure proper handling and recycling of each component.

Disposal: For components that cannot be recycled or reused, eCycle Solutions ensures they are disposed of responsibly, following environmental regulations and guidelines to minimize any negative impact on the environment.

Data Destruction: Particularly for electronic devices like computers and smartphones, eCycle offers data destruction services to ensure that sensitive information is securely erased before recycling or disposal.

Overall, eCycle plays a vital role in the management of electronic waste, providing sustainable solutions for the recycling and responsible disposal of electronics to minimize environmental impact and promote resource conservation.

Supply Chain

The e-waste supply chain encompasses various stages, beginning with the collection of discarded electronic devices, followed by pre-treatment processes to prepare them for recycling or disposal, and culminating in treatment and final disposal methods.

In eCycle's supply chain, the collection stage is primarily facilitated in Canada by provincial stewardship programs, which account for approximately half of the materials collected. These programs involve systematic approaches to collecting and managing e-waste, often with the participation of government agencies, industry stakeholders, and consumers. The remaining portion of eCycle's collections comes from various sources, including Municipalities, Retail outlets, Institutional, Commercial, and Industrial (ICI) sectors, and Original Manufacturers. Any material coming from USA will be from ICI accounts. Additionally, there is a smaller contribution from other recyclers and scrap yards, highlighting the diverse nature of eCycle's collection network.

The pre-treatment of e-waste involves separating the metal and non-metal fractions. This step is crucial in the recycling of electronic waste as it allows for the efficient extraction of valuable materials for further processing. At eCycle facilities, specialized machinery and techniques are employed to segregate these fractions. The metal components, such as copper, aluminum, and gold, are extracted for recycling, while non-metal materials, including plastics and glass, are also separated for appropriate treatment or disposal.

The treatment of e-waste, which is completed at downstream processors, involves the final stage of recycling before materials are either reintroduced into manufacturing or disposed of. Downstreams utilized by eCycle (either directly or indirectly) are located in multiple countries including Canada, USA, Japan, Malaysia, and South Korea.

Section 11 (3)(b and c)
Policies/Due Diligence at eCycle and Throughout the Supply Chain

eCycle has multiple policies and documents that describes our position on forced labour and child labour. As stated in our Corporate Social Responsibility Policy (102_POL_CO) and Code of Conduct Policy (109_POL_CO), eCycle conducts business in a socially responsible and ethical manner including the prohibition of child and prison labour laws, and zero tolerance for corruption, extortion, embezzlement, theft, and bribery.

A risk assessment was completed which identified a low risk of modern slavery in our supply chain, with the highest risks in our own workforce, use of temporary staffing agencies and utilization of downstream vendors.

eCycle ensures that the hiring process complies with all relevant federal and provincial labour laws, including those related to employment standards, human rights, and child labour. eCycle completes a screening process for all new hires which includes proof of eligibility to work in the country, proof of age and job history. Face-to-face interviews are conducted with job candidates to assess their suitability for the role. References provided by the candidate are contacted to verify their employment history and performance. All employment is voluntary. eCycle does not participate in forced labour. Normal working hours are kept under 60 for all eCycle sites. Any overtime required is on a voluntary basis as per applicable regulations. Only copies of personal identification are required. eCycle complies with all federal and provincial laws and regulations pertaining to young workers and does not employ any persons under the age of 16. In the rare occasion when students, interns, or workers under the age of 18 are employed, they are not assigned to nor permitted to complete any jobs/tasks considered hazardous that have the likelihood of jeopardizing their health and safety. This includes but is not limited to operating lifting devices and handling materials containing hazardous components.

When working with temporary staffing agencies, they are required to complete an acknowledgement form that attests the agency does not traffic persons or use any form of slave, forced, bonded, prison labour or students. eCycle requires proof of age for all temporary workers to ensure children are not utilized.

eCycle conducts comprehensive due diligence and verification processes for all downstream recycling vendors we engage with. This involves assessing factors such as environmental practices, worker safety protocols, and adherence to regulatory requirements completed through a document review process and/or a site visit. There is an attestation required that downstreams do not utilize forced labour or child labour. By thoroughly vetting partners, eCycle aims to minimize the likelihood of modern slavery or other unethical practices occurring within the supply chain.

Section 11 (3)(d and e)
Measures taken to remediate any forced labour or child labour;

As of the current evaluation period, thorough scrutiny of our supply chain has not uncovered any instances of forced or child labour being utilized. Therefore, at this stage, there have been no implemented measures aimed at rectifying such practices.

Furthermore, given the absence of forced or child labour within our operations, no actions have been undertaken that might result in a loss of income for the most vulnerable families.

Section 11 (3)(f)
Training

All staff are required to complete records of training on policies 102_POL_CO Corporate Social Responsibly and 109_POL_CO Code of Conduct as part of the onboarding process. Annual refresher training is completed on policy 102.

The task of completing downstream approvals is undertaken by members of the Compliance team, all of whom have received comprehensive lead auditor training.

Section 11 (3)(g)
Conclusion and Effectiveness

eCycle demonstrates a proactive approach to addressing the risks of forced labour and child labour within its e-waste supply chain. By implementing robust policies and procedures and maintaining vigilant oversight of downstream vendors, eCycle effectively manages and mitigates these risks. This commitment not only aligns with ethical business practices but also contributes to the broader effort to combat modern slavery and promote responsible sourcing within the electronics industry. Moving forward, continued dedication to these efforts will be essential in ensuring a sustainable and ethical supply chain for e-waste management.

This report was prepared by,

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March 21, 2023

Section 11 (4)(a) and 11 (5)(a)
Report Attestation and Approval

This report was presented as a single entity report to the eCycle Solutions Inc. Board of Directors.

Scott Loughran
Name

May 1, 2024
Date

President & CEO
Title

Signature