

2024 ANNUAL REPORT

CIELO VISTA FARMS INC.

Fighting Against Forced Labour and Child Labour in Supply Chains Act

768 Highway 77, Leamington, ON

Financial Reporting Year: January 1 to December 31, 2024 – Initial Report

Business Number: 813532371

Other Entities Covered by this Report:

Skyberry Farms Inc. (Business number 827990276)

Chosen Fresh Farms Limited (Business number 828836122)

Introduction

Cielo Vista Farms Inc., together with its sister companies Skyberry Farms Inc. and Chosen Fresh Farms Limited, are deeply committed to conducting operations in a just, ethical, and upright manner. Cielo Vista Farms Inc. aims to prevent and reduce the risk of forced labour or child labour from being used at any step of the production of goods used in its operations.

11(1) Steps Taken to Reduce Risks of Forced Labour and Child Labour

The Entities covered by this report have developed and implemented compliance management systems in relation to health and safety, food safety, environmental and other legislative requirements. This includes having written agreements with suppliers and/or contractors, which include assurances that products and/or services meet legislated employment and other legal requirements.

The Entities strive to establish business relationships with reputable, responsible, and ethical suppliers and/or contractors.

The entities developed and implemented a Forced Labour and Child Labour policy that outlines their commitment to adhering to prevailing federal, provincial and municipal legislation as it applies to their industry in Leamington, Ontario. The entities' workplace policies are regularly reviewed, as a commitment to continuously improving them to afford additional protection for workers. These policies cover the following areas: Employment Standards (contracts, wages, hours of work, leave, etc.), Human Rights, Accommodation and Prevention of Discrimination, Occupational Health and Safety.

The entities employment practices that ensure no Forced Labour or Child Labour is used include: No charging of recruiting fees, no holding of paychecks or savings, no holding of passports or other documents, freedom of movement from bunkhouses, contracts translated into the contractor's language, suggestion boxes, ensuring any workers between the age of 15 and 18 are not working in hazardous environments and obtaining parent permission forms for these workers.

The entities also took part in a third-party Social Compliance Audit that assessed their effectiveness in the areas of Forced and Child Labour. The results were excellent, and no non-conformances were issued regarding Forced or Child Labour.

11(3)(a) – Structure, Activities and Supply Chains

The Entities covered by this report are private corporations engaged in the growing and packing of greenhouse vegetables. Supply chains involve the sourcing of input materials such as seeds, young plants, growing medium, agricultural inputs, packaging materials, and so on. Most of the products are sourced locally from Canadian suppliers, however some products are imported.

The workforce is comprised of temporary foreign workers, regular employees, contractors and service providers. Written agreements are in place with temporary foreign workers as well as contractors and service providers, which reference the requirements of the prevailing employment legislation.

11(3)(b) – Policies and Processes Re: Forced Labour and Child Labour

The entities have in place a “Forced Labour/Child Labour Policy – Canada’s Modern Slavery Act” policy as well as a “Business Integrity Policy” that cover the topics of Forced and Child Labour. Other compliance management systems capture these topics as well.

11(3)(c) – Risk Assessment of Business and Supply Chains

The Entities completed a risk assessment regarding Forced Labour/Child Labour through the supply chain in October of 2024. It was found that with the measures currently in place within these entities, the risk of Child Labour and Forced Labour was low.

11(3)(d) – Steps Taken to Remediate any Forced Labour or Child Labour

The Entities have not identified any forced labour or child labour in our activities and supply chains. Therefore no such measures have been taken.

11(3)(e) – Steps to Remediate any loss of Income

The Entities have not identified any forced labour or child labour. Therefore no such measures have been taken.

11(3)(f) – Training Provided on Forced Labour and Child Labour

The Entities have provided mandatory training to all employees to ensure awareness regarding the risk of Forced and Child Labour. All employees of the entities are also trained on Child Labour and Forced Labour policies that have been implemented.

11(3)(g) – How the Entity Assesses its Effectiveness

The Entities have performed a risk assessment regarding Forced and Child Labour through the supply chain and have found the measures in place to be 100% effective thus far. The entities also conducted a third-party Social Compliance Audit that assessed prevention of Forced and Child Labour and it was determined that the entities current processes and policies were effective in preventing Forced and Child Labour.



Report Approved by: Company Directors

Billy

Billy Teichroeb, Director of Operations

I have authority to bind the Entities.

May 30/25

Date