

ANNUAL REPORT

This report is made pursuant to the *Fighting Against Forced Labour and Child Labour in Supply Chains Act* S.C. 2023, c. 9 (the “**Act**”). The report outlines the approach and initiatives taken by Jolly Farmer Products, Inc. (“**Jolly Farmer**”) to identify and address the risks of forced labour and child labour in its business operations and supply chains in its 2024 financial reporting year.

OUR COMMITMENT

Jolly Farmer is committed to preventing and reducing the risk that forced labour or child labour is used in the production of the goods it produces, sells, and distributes to its customers inside Canada and globally, as well as those goods that the company imports that are produced outside of Canada.

STRUCTURE, ACTIVITIES, AND SUPPLY CHAIN

Located in New Brunswick, Jolly Farmer is a corporation that operates a 13-acre greenhouse and services customers in both Canada and the United States. The company produces and resells various types of plants, as well as unrooted plants, seeds, pots, and trays.

Jolly Farmer purchases seeds, plant unrooted cuttings, soil, trays, and pots from many suppliers around the world. The company imports these goods into Canada where it manufactures them into living plants for other growers and retailers to sell. Jolly Farmer transports its plants to other growers and retailers across the United States and Canada.

Jolly Farmer’s supply chain includes domestic and international suppliers located in various countries, including but not limited to the United States, Mexico, Guatemala, Costa Rica, Israel, and China. Some of these suppliers manufacture the raw components for living plants that Jolly Farmer sells to other growers and retailers.

With respect to the importation of goods, Jolly Farmer is typically the importer of record for the products it imports into Canada. However, the company will, on occasion, contract with suppliers who import the goods into Canada and ship directly to Jolly Farmer’s facilities in New Brunswick.

STEPS TAKEN BY JOLLY FARMER

Jolly Farmer maintains general due diligence processes that promote responsible, ethical, and legal business conduct, including with respect to labour practices. These processes are set out in more detail below and were in force throughout the 2024 financial reporting year.

Jolly Farmer did not take other steps specific to the prevention of forced labour or child labour but intends to explore what additional steps may be appropriate.

POLICIES AND DUE DILIGENCE PROCESSES

Jolly Farmer maintains general due diligence processes that promote responsible, ethical, and legal business conduct, including with respect to labour practices. In particular, the company requires that seasonal agricultural workers sign an agreement which explicitly states that workers must not be required to work excessive hours that would be detrimental to their health or safety. Additionally, any requests by Jolly Farmer that workers work in excess of eight (8) hours per day must be in accordance with the provincial labour laws and employment standards of New Brunswick. Jolly Farmer also complies with these labour laws and standards in the company’s employment of student workers who are under the age of 16.

In the 2024 reporting period, Jolly Farmer sent its lead buyer to plant farms in Guatemala and Mexico where no risks of forced labour or child labour were observed. Jolly Farmer will continue to explore which policies and processes specific to forced labour and child labour may be appropriate for the company's business, activities, and supply chains.

FORCED LABOUR AND CHILD LABOUR RISKS

Jolly Farmer recognizes that certain goods have a higher risk of forced labour or child labour.¹ In the 2024 reporting period, Jolly Farmer engaged an external organization to compare its imports with identified risk commodities as published by the US Department of Labor in the "List of Goods Produced by Child Labor or Forced Labor". Through this process, risk was identified. Jolly Farmer continues to investigate these risks to ensure that its practices and policies are reinforced.

REMEDIATION MEASURES

Jolly Farmer has not identified any forced labour or child labour in its activities or supply chains. As such, the company has not undertaken any remediation measures.

REMEDIATION OF LOSS OF INCOME

Jolly Farmer has not identified any loss of income to vulnerable families resulting from measures taken to eliminate the use of forced labour or child labour in its activities and supply chains. As such, the company has not undertaken any income remediation measures.

TRAINING PROVIDED TO EMPLOYEES

Jolly Farmer provides general training to its employees, including with respect to safe and legally compliant workplace practices and policies. In subsequent financial years, the company intends to assess what child labour and forced labour specific training may be appropriate for its employees.

ASSESSING EFFECTIVENESS

Jolly Farmer assesses its effectiveness in addressing the risks of forced labour and child labour in its activities and supply chain by regularly reviewing its policies and procedures related to forced labour and child labour. As outlined above, these policies and procedures reduce the risk that child labour and/or forced labour is present in Jolly Farmer's activities and supply chain.

APPROVAL AND 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 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.

IN WITNESS WHEREOF the authorized signing officer(s) of Jolly Farmer Products, Inc. have executed this report as of the effective date of the signatures set out below.

¹ See, for example, U.S. Department of Labor – Bureau of International Labor Affairs, "List of Goods Produced by Child Labor or Forced Labor": <https://www.dol.gov/agencies/ilab/reports/child-labor/list-of-goods>.

SIGNED

May 29, 2025

Date

JOLLY FARMER PRODUCTS, INC.



Name: Samuel Keeler
Title: Director and Treasurer

I have the authority to bind
Jolly Farmer Products, Inc.