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## Forced Labour and Child Labour in Supply Chains Report Fiscal Year 2024

### 1. ABOUT THIS REPORT

This report made by Levitts Foods Canada Inc. relates to the financial year ending February 24, 2025. It is published in compliance with the *Fighting Against Forced Labour and Child Labour in Supply Chains Act* (the “Act”).

References in this report to “Levitts”, “Company”, “we”, “our” and similar terms are to Levitts Foods Canada Inc..

Through this report, we highlight the key measures undertaken by Levitts during our last financial year to mitigate and reduce the risk of forced labour and child labour (also referred to as modern slavery) across our operational activities and within our supply chains.

### 2. PREVENTING AND REDUCING RISKS OF FORCED LABOUR AND CHILD LABOUR

Levitts is committed to protecting human rights in its supply chain and to providing a fair and ethical workplace. Specifically, we strongly oppose forced or child labour and will not knowingly support or conduct business with any entity involved in such activities.

During the last financial year, Levitts has taken certain actions to prevent and reduce the risk of forced labour or child labour at any step of our activities or within our supply chains, including the following:

- Continued the mapping of our activities and supply chain, concentrating on direct suppliers to evaluate the risks related to forced labour and child labour.
- Maintained the monitoring of our recruitment process to guarantee our workers are recruited through voluntary means.
- Distributed our new Policy Against Modern Slavery to a majority of our direct suppliers in order to require them to confirm their commitment to fight against modern slavery in their operations and in society more generally. We are following up with the remaining suppliers.

In addition to the above, following the conclusion of our last financial year, we updated our Employee Manual to incorporate human rights considerations.

### **3. ABOUT US & OUR SUPPLY CHAIN**

#### **About Us**

Levitts is a leading Canadian and Quebec manufacturer of over 50 smoked meat products crafted with the highest standards of quality, and free of soy, gluten, MSG or artificial flavours.

With our more than 80 years of experience, 50,000 square foot of production facility and 150 employees, the Company continuously strives for excellence, honor and inclusiveness in all aspects of our daily lives with our employees, suppliers and customers. As a leading Canadian company, we are among the largest manufacturers of smoked meats for private labels of major grocery chains across Canada, and we aspire to stay recognized by the public and our customers as a reference in the processing of quality smoked meats.

We have three official certifications of food quality standards and we are constantly evaluating the integrity of our products at all levels and steps of our manufacturing process. Moreover, a food inspector from Canadian Food Inspection Agency (CFIA) conducts daily three-hour monitoring sessions on our activities at our production facility in Montreal, thus ensuring our compliance with applicable laws and regulations, and contributing to upholding the highest product quality and manufacturing standards.

#### **Our Supply Chain**

While our procurement is mainly done through major Canadian suppliers (90%), most of which are highly reputed in their industry and require adherence to strict human rights and labour standards, we also source goods, equipment, spices, beef and other raw materials to be used in our production from different business partners in the United States, Mexico and Spain.

That said, our direct suppliers have their own value chain and source their products from various areas on which we have less visibility and which may extend to foreign countries, such as India, China and Southeast Asia for spices, and Brazil, Mexico, Uruguay, Paraguay, New Zealand, Australia, Spain and Italie for beef.

We recognize the importance of remaining vigilant, and therefore we select suppliers with a solid track record and good international reputation, and prioritize established long-standing relationships with our main suppliers.

### **4. POLICIES AND DUE DILIGENCE PROCESSES**

Shortly after the end of our last financial year and in the context of our ongoing efforts to prevent and mitigate any adverse effects, we adopted new policies allowing us to integrate responsible business practices into our policies and management systems.

#### **Policy Against Modern Slavery**

We have initiated the implementation of our new Policy Against Modern Slavery which outlines our commitment to fighting against modern slavery by implementing sound practices and policies. We also advocate for zero-tolerance towards forced labour and child labour, and strongly condemn harassment and unethical practices. The policy applies to all our employees, directors, agency workers, interns, contractors, external consultants, business partners and other parties with direct connection with Levitts.

Our Policy Against Modern Slavery has been sent to all our suppliers who were asked to execute an acknowledgement (unless they provided proof of an equivalent internal policy) whereby they also commit to ensuring that there is no modern slavery in their operations and confirm transparency in all their activities. In the event a supplier refuses to collaborate, we will evaluate the impact of changing such supplier to one that meets our standards.

## **Employee Manual**

Our Employee Manual establishes a framework that fosters a harmonious work environment. Firstly, our set of rules ensures that our employees maintain punctuality, adhere to a strong work ethic, and effectively complete their assigned training. Secondly, our comprehensive health and safety policy highlights our dedication to cultivating a secure working environment for all employees.

After the end of the last financial year, we have updated our Employee Manual to provide for human rights considerations.

## **Employee Recruitment**

Our thorough recruitment process is compliant with applicable laws and regulations. It involves a series of steps to ensure we collect the most accurate information on our employees and that they are voluntarily recruited. To achieve this, we begin by assessing the different needs on our production lines and potential employees for interviews. As we move forward with the suitable candidates, we collect, through a compulsory hiring form, information on the candidates. We collect their basic contact information (name, phone number, address, email address), and we confirm their age and status using their official government documents such as their passport, birth certificates and driver licenses.

Once this process is completed, we proceed with all the necessary training orientation for the employee to adhere to our highest standards of health and safety and food quality.

## **Due Diligence Protocols**

Moving forward, we plan on deploying a supplier questionnaire as part of our risk assessment process, covering topics such as forced labour, child labour, workers' rights, health and safety, and ethical conduct. Responses to the questionnaire will be analyzed as part of our risk assessment process.

## **5. RISK ASSESSMENT AND ACTING ON IDENTIFIED RISKS & IMPACTS**

We continue to prioritize understanding human rights risks within our supply chain, with a focus on forced labour and child labour, given that this is critical to targeting our actions and engagement with our suppliers. Identifying and prioritizing the most salient risks connected to our operations and business relationships is key to preventing and mitigating forced labour and child labour.

This is why we continue to map our activities and supply chains, mainly based on the location of our suppliers. Such a measure allows us to develop strategies to prioritize our resources to effectively identify and address the risk of forced labour or child labour within our activities and supply chain.

Although our risk assessment process continues to evolve, we acknowledge the potential for challenges in supply chains extending internationally, especially with regards to the manufacturing sector and the sourcing of raw materials from the agricultural industry, from Tier 2 suppliers to business partners further down the supply chain. We actively work on developing measures to better assess those risks as we are strongly committed to promote ethical practices among our suppliers.

As we continue to diligently monitor and map our business operations and supply chain, we confirm no instances of forced labour or child labour have been brought to our attention. Given the absence of occurrences or remedial measures taken by us, we did not have to mitigate any resulting financial hardships for vulnerable families resulting from our actions. That said, we commit to acting promptly if a situation is discovered.

## **6. TRAINING**

At Levitts, we provide onboarding packages and training to our employees regarding food quality, health and safety and appropriate techniques.

Although our training is not concentrated on forced labour and child labour yet, our commitment to the fight against such practices remains very strong. As such, we intend to include training focused on understanding the risks of forced labour and child labour in our supply chains and our business as part of health and safety training.

## **7. ASSESSING THE EFFECTIVENESS OF OUR APPROACH**

We actively work with our suppliers to identify the risks of forced labour and child labour, and we ensure that the appropriate measures are taken to reduce those risks. In fact, all our suppliers are required to sign our Policy Against Modern Slavery or supply their own human rights policy or code allowing us to assess the effectiveness of our approach with regards to forced labour and child labour.

## **8. APPROVAL AND ATTESTATION**

This report was approved by the Board of Directors of Levitts Foods Canada Inc. on May 29 2025 pursuant to paragraph 11 (4)(a) of the Act and constitutes our report for the financial year ending February 24, 2025.

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 indicated 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 indicated above.

I have the authority to bind Levitts Foods Canada Inc.

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Full name: Jean-François Desjardins  
Title: President and member of the Board of Directors  
Date: 29/05/2025