

Pure Flavor Farms LP

# Modern Slavery Act Statement 2023



This document constitutes Pure Flavor Farms LP (hereinafter referred to as “Pure Flavor”) Modern Slavery Act Statement, covering our fiscal year of January 1, 2023 to December 31, 2023. This statement is made pursuant to Section 11 of Bill S-211, An Act to enact the Fighting Against Forced Labour and Child Labour in Supply Chains Act and to amend the Customs Tariff (the Act).

Modern slavery practices of any form, including forced labour and child labour, are contrary to Pure Flavor’s values and philosophy. We have zero tolerance for any form of forced labour or child labour in our operations and supply chain. We are committed to ensuring that all employees across our business and our suppliers act ethically and responsibly as we work towards minimizing the risk of forced labour and child labour within our operations and supply chain.

## Our Structure, Activities, and Supply Chain

Pure Flavor is the next generation of greenhouse vegetable growers who share a commitment to put quality, flavor, innovation, and consumers first while also providing a safe and respectful environment for all employees. Our passion for sustainable greenhouse growing, dedicated support for our customers, and commitment to conducting ethical business practices is built on a foundation drawn from generations of growing expertise.

We live our brand promise by supporting healthier lifestyles for consumers, communities, our partners, and our employees. Our company culture is built on the expertise and experience from our diverse and talented workforce comprised of full-time employees, part-time employees, and temporary employees including foreign workers. We currently have around 1250 employees, around 43% of which are temporary foreign workers.

Pure Flavor was a corporation for most of the 2023 year, however, the company was reorganized to a partnership structure in December 2023. We grow, package, and distribute our high-quality produce to over three hundred different retailers and foodservice customers across North America, with our Head Office strategically located in Leamington Ontario.

## Our Facilities

Pure Flavor has five state-of-the-art greenhouse facilities covering almost two hundred acres of land, located across Ontario and the United States. Through precise climate, irrigation, plant nutrition, and lighting controls, we can grow around fifty million kilograms of a variety of fresh fruits and vegetables year-round including: tomatoes, peppers, cucumbers, eggplant, melons, and strawberries. All our greenhouse operations offer on-site bunkhouses to accommodate our temporary foreign workers. The only exception to this is our Illinois, USA location where we rent housing units for our temporary foreign workers.

Strategically located in key regions throughout Ontario and the United States, our five distribution and cross-dock facilities serve as packaging operation centers to support our family of growers. Our

distribution centers feature advanced packing automation allowing us to efficiently supply our produce to our customers. Our cross-docks are located near the Mexico/USA border in Texas, as well as in Michigan, minutes away from the Canada/USA border. These facilities help expedite our product to customers in every region by providing temporary warehousing for product both entering and leaving Canada or the United States.

Pure Flavor is committed to ensuring that the safety of its employees, consumers, and environment are kept at the highest priority level throughout our operations. As such, we employ the highest and most rigorous standards of food safety and sustainability practices possible at all facilities including Good Agriculture Practices (GAPs) and Integrated Pest Management (IPM); with every greenhouse and distribution center inspected and audited on a regular basis.

## Our Supply Chain

Pure Flavor’s supply chain is a significant aspect of our operations as almost 70% of the produce and packaging materials we use for our products comes from our suppliers. As such, we understand the importance of, and ensure, that our suppliers share the same values and company objectives as Pure Flavor.

Our suppliers are made up of a variety of growers and vendors, which we engage with by means of a contract, consignment, or through the open market (Figure 1).

Our suppliers are located primarily in Canada and Mexico, with less than 1% of our suppliers located in the United States or internationally (Figure 2).

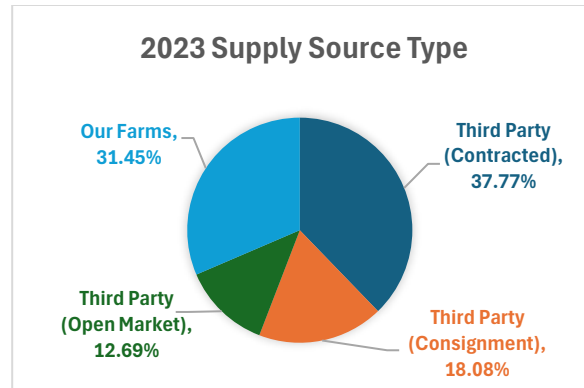


Figure 1 - 2023 supply source by supplier type.



Figure 2 - 2023 supply source by location.

## Our Policies and Due Diligence Processes

Pure Flavor believes that setting a standard for our employees begins at the top of the organization (Tone at the Top). We believe it is important to have information communicated in a clear and concise manner. To ensure effective communication, we have developed, and are continuing to improve, a suite of policies for our employees. This helps to ensure expectations are explicit regarding forced labour, child labour, modern slavery, and in general, human rights. These policies were established to promote a respectful and

inclusive corporate culture and are available to our employees through our internal systems.

## Standard Code of Conduct

Pure Flavor is committed to an operating philosophy and a Standard Code of Conduct that is based on fairness and concern for all people. This philosophy and our Standard Code of Conduct governs our relationships internally between all employees, and externally with suppliers and customers.

The goal of the Standard Code of Conduct is to reinforce a positive work environment where we all conduct ourselves appropriately and are treated with dignity and respect. The Standard Code of Conduct applies to all employees of Pure Flavor, including full-time, part-time, and temporary staff.

Establishing and maintaining our culture, and ultimately preserving a positive work environment, is dependent on all employees living by our Standard Code of Conduct. Given the importance we place on this Code, employees that violate any of the standards set within will be subject to discipline, up to and including termination.

## The Ontario Human Rights Code

The Ontario Human Rights Code, “the Code”, is an Ontario provincial law that states every person has a right to equal treatment without discrimination or harassment because of race, ancestry, place of origin, colour, ethnic origin, citizenship, creed, sex, sexual orientation, gender identity, gender expression, age, record of offences, marital status, family status, or disability.<sup>1</sup> Our

management team is dedicated to complying in every aspect of the workplace environment and employment relationship including job applications, recruitment, training, transfers, promotions, apprenticeship terms, dismissal and layoffs. Pure Flavor prohibits any discrimination regarding rate of pay, overtime, hours of work, holidays, benefits, shift work, discipline, performance evaluations, and overall treatment during their employment.

## Anti-Bribery Policy

The Anti-Bribery Policy describes how Pure Flavor is committed to the prevention, deterrence and detection of fraud, bribery, and all other corrupt business practices. We are dedicated to conducting our business with honesty, integrity, the highest ethical standards, and in compliance with all anti-bribery laws and regulations. This policy applies to all employees and communicates their obligations, and any disciplinary actions should an employee be found to be engaged in fraud, bribery, or corruption.

## Whistleblower Policy

The Whistleblower Policy’s purpose is to provide direction to the employees of Pure Flavor regarding the communication of real or suspected activities considered to be illegal, dishonest, or a violation of an important Company or public policy. The policy is intended to encourage and support an employee to report to their supervisor or Human Resources if they have knowledge of, or a concern of, illegal or dishonest fraudulent activity. The policy also provides protection to the employee regarding confidentiality and retaliation.

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<sup>1</sup> <https://www.ohrc.on.ca/en/ontario-human-rights-code>

## Our Due Diligence

### Proof of Age

To help prevent child labour from occurring in our operations, we have all employees sign the Proof of Age form upon being hired. In accordance with privacy laws, this form asks the employee to provide identification to Pure Flavor to examine, and in some cases, keep a photocopy of their proof-of-age identification with their last name blacked out and kept in their personnel file indefinitely.

### The Ethical Trading Initiative – ETI Base Code

The ETI Base Code is an internationally recognized code of labour practices and was founded on the conventions of the International Labour Organization. This code includes standards on forced and child labour stating specifically, “employment is freely chosen” and “child labour shall not be used.”<sup>2</sup>

Pure Flavor uses this Base Code as a minimum and not a maximum standard. We comply with national and other applicable law and, where the provisions of the law and this Base Code address the same subject, we apply the provision which affords the greater protection.

Pure Flavor gives a copy of the ETI Base Code to all employees when they are hired. We have a receipt form that they sign which indicates that they acknowledge they have received a copy of the ETI Base Code and are aware that they may contact Human Resources at any time should they have any

questions or concerns regarding the Base Code.

### Supplier Audits

Many of our growers in Mexico, as well as Canada and the United States, complete third-party social compliance audits including Sedex Members Ethical Trade Audit (SMETA) and Fairtrade audits. These audits focus on four main pillars, namely Labour Standards, Health & Safety, Environment and Business Ethics. The scope of these audits was referenced against the ETI Base Code with a few additions. Pure Flavor retains a copy of the completed audits for our records.

## Our Forced Labour and Child Labour Risks

Pure Flavor does not tolerate forced labour or child labour. We aim to ensure forced labour and child labour are not being practiced by providing a safe environment which promotes raising awareness and concerns. We have policies in place to minimize the risk of forced labour and child labour from occurring within our operations or supply chain.

We recognize that the agriculture industry carries a high risk of labour exploitation and modern slavery, including forced labour and child labour. We also recognize the importance of conducting an internal assessment to ensure our own operations and supply chain do not use forced labour or child labour. Our plans include rolling out an assessment process in the current year.

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<sup>2</sup> <https://www.ethicaltrade.org/eti-base-code>

## Our Remediation Measures

Pure Flavor encourages all employees to report any actual or possible misconduct with regards to forced labour, child labour, or any of our policies to their manager, senior management, or Human Resources, so issues can be investigated and resolved quickly. Our Standard Code of Conduct explicitly states the expected behavior of all employees in the workplace, including following all company policies, and reporting any misconduct.

No reports have been made regarding the use of forced labour or child labour, and therefore, no remediation measures were taken in 2023.

## Remediation of Loss of Income

Pure Flavor recognizes that unintended consequences can arise because of eliminating and reducing the risk of forced labour and child labour including the loss of income to vulnerable families.

We have not identified any loss of income to vulnerable families resulting from measures taken to eliminate the use of forced labour or child labour in our activities and supply chains.

## Our Training

Pure Flavor understands the importance of proper training and implementation of our policies upon which establishing and

maintaining our culture, and ultimately preserving a positive work environment, is dependent on all employees living by our Standard Code of Conduct. As such, we require all new employees to review and sign an acknowledgment that they have received the employee handbook, which includes our Standard Code of Conduct and all our other policies.

Additionally, we make changes to the employee handbook each year as necessary and require that every employee, including full-time, part-time, and temporary workers, sign off on receiving and understanding the new handbook and its contents.

Our orientation, which we give all new employees, also contains slides, videos, and other material regarding indicators of violations of human rights including harassment, health and safety, and proper working conditions.

## Assessing Our Effectiveness

Pure Flavor seeks to avoid human rights violations, such as forced labour and child labour, within our operations and supply chain and are committed to upholding standards and policies to help mitigate our risk of modern slavery occurring.

Though Pure Flavor currently does not have a formal process inclusive of specific policies and procedures in place to assess our effectiveness in ensuring that forced labour and child labour are not being used in our activities and supply chain, we recognize the importance of having a regular assessment in place. As stated, we plan to roll out an assessment process in 2024.

## Approval

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 or entities 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.

*Jeff Moracci*

*CFO*

*May 3, 2024*



I have the authority to bind Pure Flavor.