

Compliance Report on Forced Labour and Child Labour Act

Company Name: A. Lococo Wholesale Ltd.

Report Date: May 22, 2024

Reporting Period: 2023 Fiscal Year

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1. Introduction

This report is prepared in compliance with the Forced Labour and Child Labour Act, detailing the steps taken by A. Lococo Wholesale Ltd. during the previous financial year to prevent and reduce the risk of forced labour and child labour in our operations and supply chains. The report covers our policies, risk assessments, due diligence processes, remediation measures, training programs, and effectiveness assessments.

2. Company Structure, Activities, and Supply Chains

a. Company Structure:

A. Lococo Wholesale is a prominent food distribution company located in Ontario specializing in retail and wholesale fruits and vegetables, meat, poultry, and various grocery products. The company operates four retail grocery stores and one meat packaging and processing plant with approximately 300 employees collectively.

b. Activities:

- Our main activities include retail sales of fresh produce and meat product and wholesale distribution of such products to food service providers across southern Ontario. Our meat plant processes and packages meat products for our retail locations.

c. Supply Chains:

- We source products from a variety of suppliers both domestically and internationally, with key supply regions including North America and South America.

3. Policies and Due Diligence Processes

A. Lococo Wholesale Ltd has established policies and due diligence processes to address forced labour and child labour risks throughout its supply chains. These include embedding responsible business conduct into organizational policies.

a. Policies:

- **Human Rights and Anti-Harassment Policy** Under the [*Ontario Human Rights Code*](#), every person has a right to equal treatment by A. Lococo Wholesale Ltd. with respect to services and facilities, accommodation, contracts and employment. A. Lococo Wholesale Ltd. adopted this Human Rights and Anti-Harassment Policy to ensure ethical and respectful service and employment practices that incorporate equitable treatment for all employees, non-employees and customers.
- **Employment Equity Policy:** A. Lococo Wholesale is committed to a policy of fairness and full equity in employment and services in recognition of its obligations and responsibilities as an employer and of its leadership role in the community.
- **Young Worker's Policy:** This policy is intended to protect and inform young employees that their health and safety is the number one concern of A. Lococo Wholesale Ltd. Although all employees should receive a standard protection from health and safety risks, young workers are seen as being at a greater risk. Factors known to contribute to the vulnerability of young workers are their inexperience, their lack of knowledge, lack of training and perception of danger and their immaturity, both physically and mentally.

b. Due Diligence Processes:

- **Risk Assessment:** A. Lococo Wholesale is committed to conduct risk assessments to identify potential risks of forced labour and child labour within our supply chain going forward.
- **Supplier Audits:** Regularly audit our suppliers to ensure adherence to our anti-forced labour and child labour policies will become yearly practice.
- **Recruitment process:** We prioritize a recruitment process that is entirely voluntary and transparent. We post all job openings on Indeed, where interested candidates can apply at their own discretion. We believe in creating a welcoming and inclusive environment, ensuring that every applicant is motivated by their own career aspirations and interest in joining our team. Our approach respects each individual's autonomy and fosters a positive, mutually beneficial relationship from the very start.
- **Supplier Code of Conduct:** All suppliers will be required to sign and comply with our Supplier Code of Conduct, which includes strict provisions against forced labour and child labour.

- **Grievance Mechanism:** At A. Lococo Wholesale we report (and encourage the reporting of) actual or potential non-compliances with our policies or our legal requirements, including those in relation to forced labour and child labour, so they can be addressed appropriately. Employees are required to report any actual or suspected violation of the law or company policy, including those in the context of forced labour and child labour, and all health, safety and environment related hazards, potential hazards or incidents, of which they become aware.

We take every report seriously and provide immunity from disciplinary action for good faith reporting of incidents and issues. Employees and suppliers have several avenues to report an issue depending on the nature of the incident.

4. Risk Assessment and Management

As a part of ongoing enhancements, we will strive to continue to identify emerging risks. The Company also intends to continue developing and implementing additional due diligence policies and processes for identifying, addressing and prohibiting the use of forced labour and child labour in our activities and supply chain.

a. High-Risk Areas:

A. Lococo Wholesale Ltd recognizes that some elements of our supply chain present a risk of forced labour or child labour. The ways we identify and manage this risk include:

b. Steps Taken to Assess and Manage Risk:

- Enforcing our human resources and occupational health and safety policies
- Engaging with our team members, Unions, suppliers, and customers as a way of identifying risk or non-compliance.

c. Risk Mitigation Strategies:

If we identify a compliance issue, including but not limited to, child labour, forced labour or lifethreatening health and safety situations, we may, as appropriate, suspend our relationship with those suppliers, work with them to determine whether satisfactory remediation of the compliance issue is possible and/or terminate relationships with suppliers who are unable or unwilling to remediate non-compliance.

5. Remediation Measures

a. Measures Taken to Address Forced Labour and Child Labour:

To date, there have been no identified or reported instances of forced labour or child labour in our activities and supply chain.

b. Measures to Mitigate Loss of Income for Vulnerable Families:

To date there have been no identified or reported instances of loss of income to vulnerable families that resulted from measures taken to eliminate the use of forced labour or child labour in our activities and supply chains.

6. Training and Awareness Programs

a. Employee Training:

Upholding human rights, including both forced labour and child labour, is addressed in A. Lococo Wholesale Ltd's onboarding training. Our onboarding programs include training on our Code of Business Conduct, our Values, and a number of supporting human resource and safety policies. We require these team members to review and sign off that these have been read and understood. Training includes guidelines on how to report suspected violations.

As part of our plans to advance our Social Compliance program in 2024, we are planning to further integrate training for our team members and suppliers on our position against forced labour and child labour. We will require our suppliers to review our Supplier Code of Conduct, which is incorporated into our vendor set up and contract templates. Suppliers are expected to certify their compliance with the Supplier Code of Conduct annually and to report any non-compliances promptly.

7. Effectiveness Assessment

a. Assessment Methods:

- Regularly reviewed audit results and supplier performance data.
- Gathered and analyzed feedback from employees on the effectiveness of training programs.

b. Continuous Improvement:

A. Lococo Wholesale Ltd. is committed to upholding the highest standards of ethical conduct and human rights. We will continue to strengthen our policies and practices to prevent forced labour and child labour within our operations and supply chain. This report demonstrates our dedication to transparency and our proactive approach to ensuring ethical labour practices.

8. Approvals and Attestation

In accordance with the requirements of the Act, I Daniel Lococo, attest that I have reviewed the information contained in this report. Based on my knowledge and having exercised reasonable diligence, I attest that the information is true, accurate, and complete in all material respects for the purposes of the Act, for the reporting year listed above.

Signed:

Daniel Lococo



Owner

A. Lococo Wholesale Ltd.

Submission Date: May 29, 2024