

Modern Slavery Report

Darvonda Nurseries Ltd

For the year ended May 31, 2024

1. Structure, Activities, and Supply Chains

Darvonda Nurseries Ltd. and its subsidiaries—1265787 BC Ltd, 1337236 BC Ltd, Horizon Growers Ltd, and 1405567 Alberta Ltd—operate greenhouse facilities in British Columbia and Alberta. We cultivate ornamental plants and greenhouse vegetables, supplying large wholesalers and smaller retail shops across Western Canada and the United States.

Our supply chain comprises four primary components:

- Hard Goods: Plant containers, seeds/cuttings, and soil, primarily sourced from Canadian and American suppliers.
- Labour: A combination of local employees and temporary foreign workers hired through Canadian government programs.
- Utilities: Electricity, water, and other utilities sourced domestically.
- Transportation: Logistics managed internally or through established Canadian transportation companies.

Our business is seasonal, with most inventory turnover occurring within six months.

2. Policies and Due Diligence Processes

We are committed to addressing risks of forced labour and child labour in our operations and supply chains. Our evolving policies and due diligence considerations include:

- Supplier Code of Conduct: Developed in 2024, this code outlines our intended expectations regarding labour practices, including prohibitions against forced and child labour.
- Age Verification: We seek to verify the age of workers using government-issued photo identification.
- Management Awareness: All management personnel have been informed of our anti-slavery principles and considerations.

3. Risk Assessment and Management

We have identified potential risks of forced or child labour in the following areas:

- Hard Goods: While we are not the primary importers, there is a risk that forced or child labour could be present in the upstream supply chain.
- Labour: The use of temporary foreign workers necessitates ongoing attention to ethical recruitment and employment.

To manage these risks, we:

- Engage in ongoing dialogue with suppliers to understand their labour practices.
- Are exploring ways to improve supplier engagement, including possible visits or audits.
- Aim to maintain strong relationships with tier-one suppliers and understand the practices of upstream partners.

4. Remediation Measures

As of the reporting period ending May 31, 2024, we have not identified any confirmed instances of forced or child labour in our operations or supply chains. Consequently, no remediation measures have been implemented.

5. Loss of Income to Vulnerable Families

We have not identified any loss of income to vulnerable families resulting from efforts to address forced or child labour in our activities or supply chains.

6. Training Provided to Employees

In 2024, we updated our employee handbook to include high-level references to policies and procedures related to forced and child labour. Management personnel have been informed of these expectations.

7. Assessing Effectiveness

We consider the effectiveness of our approach through informal monitoring and ongoing discussions. Activities include:

- Addressing concerns if raised internally or externally.
- Monitoring supplier adherence to our expectations as outlined in our developing Supplier Code of Conduct.
- Considering future audits and supplier engagement activities.
- Remaining informed of evolving guidance and requirements from the Government of Canada.

8. 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 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.



Lawrence Jansen

CEO

May 31, 2025

