



Report on Combatting Forced Labour and Child Labour in Supply Chains

Introduction

This report is submitted under subsection 11(1) of the Fighting Against Forced Labour and Child Labour in Supply Chains Act, S.C., 2023, c.9 (the Act), on behalf of Cannabis New Brunswick (CNB).

Pursuant to the Act, this report outlines the measures taken during the financial year ending March 31, 2024, by CNB to mitigate the risk of forced labour or child labour within the production, distribution, and sale of cannabis products sourced exclusively within Canada.

Steps taken to prevent and reduce risks of forced labour and child labour

At CNB, our commitment revolves around responsible management and upholding values of integrity, community, and safety. In the fiscal year 23/24, CNB initiated efforts to educate and review existing policies and procedures in alignment with the Act.

For the upcoming fiscal year 24/25, CNB will undertake further actions:

- Engage the Board of Directors and Executive Management to discuss the Act's requirements and disseminate awareness among senior management across business units.
- Sustain our external working group, composed of industry stakeholders, to collaborate on shared interests, leverage existing initiatives, and minimize redundant efforts.
- Continue the internal working group's efforts to enhance policies, processes, and procedures.
- Utilize external expertise to benchmark industry standards and best practices.





- Provide training and awareness sessions to relevant business segments and develop specialized training modules if required.
- Identify potential risks of forced labour and child labour within our business and supply chains.

Organizational Structure and Supply Chains

Organizational Overview

Cannabis New Brunswick (CNB) is a Crown Corporation headquartered in Fredericton, New Brunswick. Its affairs are overseen by an eight-member Board of Directors, with the President and CEO serving ex-officio.

Operational Activities

CNB operates through the following channels:

- Distribution facility within New Brunswick.
- Retail outlets, comprising 6 farmgate of local producers, 8 private retail stores, 27 corporate owned stores and online platforms.
- Partnerships with licensed producers and distributors across Canada.

Supply Chain Overview

In the fiscal year 23/24, CNB's supply chain exclusively operates within Canada, encompassing sourcing from licensed producers and distributors across various provinces, including New Brunswick, Ontario, British Columbia, and others.

Evaluation of Effectiveness

CNB adopts a proactive approach to risk management, as evidenced by the utilization of an enterprise risk register to identify and mitigate top-ranked risks. Although forced labour or child labour within supply chains hasn't surfaced as a significant risk, CNB remains vigilant. Any indication of such risks would prompt immediate engagement from the relevant business unit or committee.





Attestation

In accordance with the Act, and in particular section 11 thereof, I attest that the Board of Directors of Cannabis New Brunswick has duly reviewed the contents of this report. Based on my knowledge and diligent efforts, I confirm the accuracy and completeness of the information presented herein for the reporting year mentioned above.

Lori Stickles, President and CEO

Date: *May 3, 2024*

"I have the authority to bind, Cannabis New Brunswick"

John Correia, Chair, Board of Directors

Date: *May 3/2024*

"I have the authority to bind, Cannabis New Brunswick"

