

James Richardson & Sons, Limited

Fighting Against Forced Labour and Child Labour in Supply Chains Act Report 2023

Introduction

This Report has been produced by James Richardson & Sons, Limited (“JRSL”) in connection with Canada’s *Fighting Against Forced Labour and Child Labour in Supply Chains Act* (the “Act”) to set out the steps taken during the financial year ended December 31, 2023 to prevent and reduce the risk that forced labour or child labour was used at any step of the production or importation of goods.

This report covers the activities of JRSL and includes the activities of the operating subsidiaries which it controls and meet the threshold of reporting entities under the Act, a full list of these subsidiaries can be found in Appendix 1 (the “Controlled Entities”). JRSL and the Controlled Entities will be referred to herein, collectively, as the “JRSL Entities”.

Measures to Prevent and Reduce the Risks of Forced Labour and Child Labour

We are committed to respecting the human rights of all individuals and stand against all forms of forced labour and child labour. Across our organization measures have been taken to prevent and reduce the risk that forced labour and child labour have been used at any steps of the production of goods in Canada or goods imported into Canada. The steps taken have varied across the JRSL Entities, reflecting their unique industries and business operations. These measures to review and assess supply chains have included internal and external assessments, implementing policies and procedures, auditing and monitoring suppliers and engaging with employees, partners and stakeholders, further details of which are set out herein and in the respective reports of the Controlled Entities.

Structure, Activities and Supply Chains

JRSL, established in 1857, is a private family-owned and operated Canadian corporation organized pursuant to the *Canada Business Corporations Act*. Headquartered in Winnipeg, Manitoba, JRSL is involved in the international grain trade and agri-food business, energy, real estate, financial services, investments and freight transportation and logistics through its operating subsidiaries. JRSL’s head office provides executive, financial and legal support to its subsidiaries.

While the JRSL group of companies is organized into many different subsidiaries, details with respect to subsidiaries which are not Controlled Entities are not included in this report. The following operating subsidiaries, as defined in Appendix 1, are included herein:

1. Bison Transport is a leading asset-based freight solutions provider with a network throughout Canada, the U.S. and Mexico. Bison Transport’s growing asset-based fleet includes 3,000 tractors and 10,000 trailers and containers operating throughout North America. Additionally, Bison Transport has access to thousands of trucks through its Logistics Operations, along with container cube and priority access on rail networks across North America. Bison Transport partners with suppliers and business partners in Canada and globally to secure tractors, trailers and containers.
2. Kingston Midstream is in the business of gathering, processing, terminalling and marketing crude oil produced in the provinces of Manitoba, Saskatchewan and Alberta to locations within Canada. Additionally, Kingston Midstream engages in crude oil marketing activities in the U.S. Most of Kingston Midstream’s supply chain including pipe material, chemicals and manufactured items is sourced from Canadian vendors, as are associated services.
3. Richardson International is a worldwide handler and merchandiser of all major Canadian-grown grains and oilseeds, including agronomy services and sales, and food processing. From seed and

crop inputs, including fertilizers and crop protection treatments, to farm services and the collection, handling, merchandising, milling of grain, and crushing of oilseed, Richardson International relies on trusted business partners in both domestic and foreign business affairs. Its suppliers and business partners operate in Canada, but also globally in sourcing raw inputs, and delivering products for sale.

4. Tundra Oil & Gas is Manitoba's largest oil producer, growing its production by developing new assets and integrating strategic acquisitions. Tundra Oil & Gas' core exploration and drilling operations are located within the Williston Basin in southwestern Manitoba and southeastern Saskatchewan. Tundra Oil & Gas' suppliers and business partners operate primarily in Canada and the U.S., however its extended supply chain can include raw material sourced globally.

JRSL is overseen by a Board of Directors and each operating subsidiary has its own Board of Directors. Although each of the Controlled Entities is diverse in terms of its business goals, organizational framework and scope of operations, they are driven by the same core values and guiding principles and share in their parent company's commitment to long-term success and its overriding goal "To be the kind of business organization in which people can place their trust." The top priority of each of the JRSL Entities is the safety and health of the people who work with them. The JRSL Entities are also dedicated to carrying out their responsibilities as good corporate citizens and stewards of the environment, as shown by their commitment to conducting business in a fair and transparent manner, reducing their environmental footprint and promoting sustainable development, as well as giving back to the communities in which we operate in a lasting and meaningful way.

The JRSL Entities have operations spanning across Canada, the United States, Mexico, the United Kingdom and the European Union and accordingly, suppliers and business partners, while primarily located in North America, span the globe.

Policies and Due Diligence Processes

JRSL and the Controlled Entities are guided first and foremost by their respective Codes of Conduct which set the standards of acceptable ethical conduct and behaviour and include requirements around respect for others, providing a safe and healthy work environment and compliance with laws and regulations, among other standards.

Among the JRSL Entities, specific policies and due diligence processes differ due to their varied businesses and industries. Due diligence steps taken by the JRSL Entities with respect to identifying and responding to their respective supply chains in relation to forced labour and child labour have included the following elements:

- embedding responsible business conduct into policies and management systems;
- identifying and assessing adverse impacts of potential risks in operations, supply chains and business relationships;
- ceasing, preventing or mitigating adverse impacts;
- tracking implementation and results of measures taken; and
- providing for remediation of incidents of forced labour or child labour when appropriate.

Bison Transport, for example, has policies relating to minimum age, child labour violations and anti-trafficking while Richardson International has adopted best practices for responsible business conduct and is aligned to the United Nations Guiding Principles on Business and Human Rights and actively evaluates and monitors compliance through formal risk assessments under its supplier risk management program, which includes Richardson International's Social Responsibility Disclosure requirements for its suppliers which reflect the expectation that its suppliers fight forced labour. Additionally, Richardson International's suppliers are also subject to audits to verify compliance with corporate and regulatory criteria, including review of relevant policies and practices in their operations. Richardson International affirmatively obtains

confirmation from its vendors as to their compliance with applicable laws and regulations, and Richardson International goes one step further by seeking information from its direct vendors as to the practices of second-tier suppliers.

Risks of Forced Labour and Child Labour

Assessments of the JRSL Entities' supply chains have been undertaken to assess the ways in which the activities and supply chains could potentially cause, contribute to, or be directly or indirectly linked to actual or potential risks that forced labour or child labour is present in their supply chains.

Potential risks identified by the JRSL Entities relate to:

- the types of products being produced, sold, distributed, imported or sourced;
- the raw materials or commodities used in its supply chains;
- direct and indirect suppliers;
- the use of outsourced, contracted or subcontracted labour; and
- the location of service companies.

Additionally, risks in activities and supply chains relating to specific sectors and industries have been identified, including agriculture, oil and gas extraction, manufacturing, wholesale trade, retail trade and transportation and warehousing.

Given the diversity of the industries within which the JRSL Entities operate, the steps taken to assess and manage the risks are likewise diverse and varied. These steps have included:

- mapping activities and supply chains;
- conducting internal assessments;
- contracting an external assessment;
- developing action plans;
- reviewing worker recruitment internal controls;
- carrying out prioritization exercises;
- requiring suppliers to have policies and procedures in place;
- auditing and monitoring suppliers;
- engaging with partners and stakeholders;
- policy and contract reviews; and
- reviewing and upgrading training.

Of particular note, Richardson International's operations have successfully undergone the internationally recognized Sedex Members Ethical Trade Audit ("SMETA"). This audit tested its practices regarding forced labour, child labour, discrimination, harassment, and abuse. It validated the effectiveness of its programs and training and communication to managers and other employees. It also affirmed its approach to building practices based on tailored risk assessments and a review of the effectiveness of internal policies.

As the supply chain assessment activities continue and the respective due diligence processes mature, we will be better positioned to guard against risks inherent in certain activities and industries. Kingston Midstream, for example, has initiated supply chain mapping which is ongoing, and the project is expected to be completed in 2024. Work will proceed on ongoing basis to assess our supply chains and our business operations to mitigate these risks.

Remediation Measures

While specific instances of forced labour and child labour have not been identified in our supply chains, work continues with respect to investigating and monitoring business activities and supply chains. Should

an instance of forced or child labour be identified, a thorough investigation would be conducted, and consideration given to the appropriate remediation measures in accordance with best practices and the requisite actions taken. Pursuant to one of its policies, Bison Transport does already have specific plans in place for the procedures to be followed with respect to suspected child labour violations.

As no instances of forced labour and child labour have been identified, there have been no measures necessitated to remediate the loss of income resulting from measures taken to eliminate the use of forced labour or child labour in our activities and supply chains.

Training

Training provided to employees of the JRSL Entities spans a range, not only between our entities, but also within the entities depending on employees' roles within the organization and involvement in supply chain management and the potential for encountering and identifying risks of forced labour and child labour.

Bison Transport, thanks in part to its role with the Truckers Against Trafficking Program, provides anti-trafficking in persons training to all new employees due to the risks inherent in the transportation industry, in addition to specific training on child labour violations procedures. In addition to relevant training provided as a component of employee on-boarding, Richardson International provides additional training including instruction on managing audits and inquiries to its suppliers and vendors, assessing information about suppliers, use of internal resources for risk reduction, reporting concerns, and other relevant topics. Resources are also provided for key employees to stay informed about developments in the areas of forced and child labour law, enforcement, and prevention. Respectful Workplace training provided by Tundra Oil & Gas addresses the Universal Declaration of Human Rights and teaches employees of their rights, and obligations to their fellow employees and stakeholders.

As this process develops, training programs will be reviewed and implemented where necessary.

Assessing Effectiveness

The JRSL Entities are committed to taking the steps necessary to ensure that forced labour and child labour are not being used in its business and supply chains. While policies and programs are already in place as set out herein and include internal compliance monitoring practices and programs that reinforce ethical conduct and the reporting of any concerns, further processes are being developed to strengthen the due diligence process and will be monitored and assessed on an ongoing, annual basis. Additionally, ongoing collaboration with stakeholders, engagement with industry best practices, and the continuous development and enhancement of due diligence processes contribute to a comprehensive evaluation framework. This proactive approach will ensure a regular assessment is undertaken of the organization's efforts in maintaining a responsible and ethical business environment.

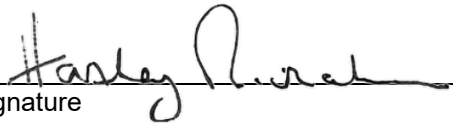
Conclusion

This report fulfills JRSL's obligations under Canada's *Fighting Against Forced Labour and Child Labour in Supply Chains Act* for the fiscal year ending December 31, 2023. While the JRSL Entities and their business activities are generally low risk, we recognize that risks exist in all industries and supply chains, and we acknowledge that this process will be an ongoing one and we will continue to advance our efforts to contribute to the fight against forced labour and child labour.

Attestation and Board Approval

On April 19, 2024, this report received approval from the Board of Directors of JRSL.

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.



Signature

April 19, 2024

Date

Hartley Richardson

First and Last Name

Executive Chair, President and Chief Executive Officer

Title

I have authority to bind James Richardson & Sons, Limited

Appendix 1 – Controlled Entities

“Bison Transport”

Bison Transport Inc.

Patricia Transportation Company Limited

“Kingston Midstream”

Kingston Midstream Limited

Kingston Marketing Limited

Kingston Midstream Saskatchewan Limited

Kingston Midstream Westspur Limited

“Richardson International”

Richardson International Limited

Richardson Milling Limited

Richardson Oilseed Limited

Richardson Oilseed Products Limited

Richardson International (Saskatchewan) Limited

Richardson Oilseed Holdings Limited

Richardson Pioneer Limited

“Tundra Oil & Gas”

Tundra Oil & Gas Limited