

K. Wever & Sons Farms

Forced Labour and Child Labour in Supply Chains Company
Assessment

Table of Contents

Executive Summary	3
Introduction	4
Structure, Activities & Supply Chain	4
Policies & Due Diligence	4
Risk Assessment	5
Remediation of Forced Labour & Child Labour	6
Remediation of Vulnerable Family Income Loss	6
Awareness Training	6
Assessing Effectiveness	6
Steps Taken to Prevent & Reduce Risk of Child Labour or Forced Labour	7
Attestation	8

Executive Summary

Forced labour can be found in every country and every sector. The International Labour Organization estimates that there are approximately 27.6 million victims of forced labour worldwide, including 17.3 million in the private economy. Forced labour and child labour risks occur primarily through the global supply chains of businesses. There is a risk that goods imported into and distributed in Canada were produced with forced labour or child labour. Entities and government institutions doing business in Canada have a responsibility to ensure that exploitative practices are addressed and eradicated from their supply chains.

These measures introduced through 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), aim to increase industry awareness and transparency and drive businesses to improve practices. The Act requires entities to report on the steps taken during its previous financial year to prevent and reduce the risk that forced labour or child labour is used at any steps of the production of goods in Canada or elsewhere by the entity or of goods imported into Canada by the entity. There are seven mandatory reporting areas that must be investigated and reported on which include:

- Its structure, activities and supply chains.
- Its policies and due diligence processes in relation to forced labour and child labour.
- The parts of its business and supply chains that carry a risk of forced labour or child labour being used and the steps it has taken to assess and manage that risk.
- Any measures taken to remediate any forced labour or child labour.
- Any measures taken to remediate the loss of income to the most vulnerable families that results from any measure taken to eliminate the use of forced labour or child labour in its activities and supply chains.
- The training provided to employees on forced labour and child labour.
- How the entity assesses its effectiveness in ensuring that forced labour and child labour are not being used in its business and supply chains.

Introduction

This report is K. Wever & Sons Farms (“K. Wever & Sons”) response to 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), sections 11(1) and 11(3).

K. Wever & Sons satisfies the definition of an Entity within the Act by having a place of business in Canada, doing business in Canada, having assets in Canada and meeting both the revenue and asset thresholds.

The financial reporting year of K. Wever & Sons covered by this report is January 1 to December 31, 2023.

Structure, Activities & Supply Chain

K. Wever & Sons operates as a partnership at PO Box 235, Monarch, AB T0L 1M0.

Operating within the agriculture industry, K. Wever & Sons buys Canadian cattle and feeds these cattle until they meet the size specifications for sale. Once size specifications are met, these cattle are sold to be distributed to slaughterhouses and meat markets within Canada.

K. Wever & Sons also operates a feed yard in Canada for raising cattle until size specifications are met for slaughtering and/or being put into meat markets. The Entity ensures that animal welfare is kept top priority by monitoring feed and water intake, and ensuring veterinary assistance is given when appropriate.

Crops are harvested on K. Wever & Sons' farmland and used as feed for cattle within the feed yards. Crops include silage and forages. The Entity also purchases crops to be used in feeding cattle within the feed yard.

K. Wever & Sons procures cattle directly from Canadian brokers. The Entity's feed yard needs are met internally. Feed yard services include the provision of feed, veterinary supplies, and care for the animals.

Feed for cattle in the feed yard is homegrown and purchased from Canadian commodity markets. Homegrown crops include silage and forage. Seed, fertilizer, and chemicals for crop production are purchased from Canadian suppliers.

Veterinary supplies for cattle are purchased from a local veterinarian. Capital equipment purchases and fuel are incorporated among all three activities and purchased from Canadian suppliers.

Policies & Due Diligence

K. Wever & Sons has the following policies and due diligence procedures in place to mitigate the risk of child labour and forced labour within internal activities and the supply chain.

Internal Policies

Employee Onboarding

When onboarding new employees, K. Wever & Sons requires these individuals to job shadow and train under a seasoned employee. This practice ensures the effectiveness of workplace safety protocols and provides a general understanding of job safety as it relates to the employee's duties.

Open-Door Policy

K. Wever & Sons has an informal open-door policy in place for employees to voice their concerns. Employees are instructed at the time of onboarding for who to approach, should there be a concern related to the workplace.

Employment Standards

The entity follows the Alberta Employment Standards, which specifies minimum standards employers must provide to employees, including expectations and guidelines relating to working conditions, hours and hiring youth.

Due Diligence Processes

Hiring Process

The New Employee Hiring Process includes interviewing potential employees for hiring and requires government-issued identification to verify the identity and birthdate of the applicant and retain this information in the employee file.

Supplier Due Diligence

Due diligence activities for K. Wever & Sons involve assessing factors of suppliers such as community reputation, past performance, commodity pricing, and delivery likelihood when selecting suppliers. While the Entity approves, monitors, and oversees supplier performance, there is currently no formal policy guiding buyers on procurement processes or incorporating assessments related to this Act.

K. Wever & Sons recognizes the opportunity to enhance internal policies and due diligence processes as it relates to this Act. The Entity is continuing to understand its supply chain to assess this risk.

Risk Assessment

A risk assessment over K. Wever & Sons' industry of operation, goods procured, and countries goods are procured from has been performed over material direct suppliers. The risk assessment used two separate indices to conclude on inherent risk of child and/or forced labour related to goods and countries – *Walk Free's Global Slavery Index* and the *US Department of Labor's List of Goods Procured by Child Labor or Forced Labor*.

Industry of Operation

K. Wever & Sons operates within the agriculture industry. Given the two indices noted above have identified risks of child labour and forced labour inherent to agricultural products, it is concluded that this industry has an inherent risk exposure.

Goods Procured

K. Wever & Sons procures agriculture products. A risk assessment over the goods procured from suppliers has been conducted and identified an initial inherent risk of forced and / or child labour within the following categories: cattle, cereal grains, and corn. All other remaining goods were not included in either indices therefore, K. Wever & Sons concludes that these remaining goods have a low inherent risk of child labour or forced labour.

Countries Which Goods Are Procured From

For the purposes of a risk assessment over countries goods are procured from, this report focuses on direct suppliers only. K. Wever & Sons procures goods from suppliers within Canada. Both indices have identified Canada as having a low inherent risk to the use of child and / or forced labour.

Remediation of Forced Labour & Child Labour

To reduce the risk of child labour or forced labour within K. Wever & Sons' activities and supply chain, the Entity will continue to have conversations and engage with suppliers on the subject. K. Wever & Sons has identified the opportunity to implement and enhance policies and due diligence mechanisms to reduce the risk of child labour and forced labour within their activities and supply chain.

Remediation of Vulnerable Family Income Loss

To date, there have been no instances identified by K. Wever & Sons of forced labour or child labour within the Entity's activities or supply chains. Therefore, the Entity has not identified any loss of income to vulnerable families resulting from measures taken to eliminate the use of forced labour or child labour in their activities or supply chains.

Awareness Training

K. Wever & Sons does not have training in place on the topic of child labour or forced labour. However, when onboarding new employees, part of this process includes job shadowing of experienced employees. This training emphasizes the importance of job safety and familiarizes these individuals with the protocols and procedures to be followed, to ensure adherence to appropriate conduct.

K. Wever & Sons recognizes the opportunity to enhance employee training relevant to this Act, therefore, will be evaluating applicable training for staff in the foreseeable future.

Assessing Effectiveness

To track K. Wever & Sons' effectiveness of procedures to mitigate the risk of child labour and forced labour, the following mechanisms are in place:

Internal Activities

1. Conduct and behaviour incidents: K. Wever & Sons has a zero-tolerance for inappropriate conduct and behaviour. All claims made regarding this will be reported to management, including the development of an action plan to resolve the issue in a timely manner.
2. Employee training: K. Wever & Sons will continue to emphasize and conduct employee training for all new hires, to ensure the safety of all workers.

Supplier Activities

1. Supplier monitoring: Though informal, discussions will continue to exist with suppliers regarding issues that may impact K. Wever & Sons' supply chain.

Steps Taken to Prevent & Reduce Risk of Child


Labour or Forced Labour

K. Wever & Sons has taken the following steps to prevent and reduce the risk of child labour or forced labour:

1. **Mapping supply chains:** identifying components of the Entity's supply chain including who the suppliers are, country of origin, as well as the goods supplied.
2. **Conducting an internal assessment of risks of forced labour and/or child labour in the organization's activities and supply chains:** As part of this report, both entities have identified risks within their activities and supply chains that have inherent risks of child labour and/or forced labour.
3. **Developing and implementing due diligence policies and processes for identifying, addressing and prohibiting the use of forced labour and/or child labour in the organization's activities and supply chains:** Policies and due diligence processes identified that are relevant to this Act including employee hiring and onboarding processes, Open-Door Policy, Employment Standards, and supplier due diligence.
4. **Monitoring suppliers:** K. Wever & Sons has identified the opportunity to integrate monitoring of key suppliers, as it relates to assessing and reducing the risk of child labour and forced labour.

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 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.

Full Name Glen Wever Signature 
Title Partner/owner Date May 23/2024

I have the authority to bind K. Wever & Sons Farms.