

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.

Modern Slavery Statement for the Financial Year ended August 2023.

This statement is made pursuant 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. This statement outlines the approach and initiatives by Midwest Co-operative Services Inc. (MCS) to identify and address the risks forced labour and child labour in its business operations and supply chains during the financial year commencing September 1st, 2022, and ending August 31, 2023. This is the initial filing for MCS to ensure compliance with Bill S-211.

MCS is committed to respecting human rights and working towards ensuring our supply chain is free from forced labour and child labour.

Company Structure

MCS is a member owned co-operative located in western Ontario. Our head office is in Teeswater Ontario. We operate from 16 locations in the Counties of Wellington, Grey, Bruce, and Huron. The sectors we serve, include retail hardware, farm supplies, crop in-puts, livestock feeds and petroleum products for industry, farm, and home. The Co-operative operates with a farmer board of 10 directors who appoint a general manager to direct day to day operations. MCS has approximately 9000 member-owners.

Supply Chain

Our supply chain encompasses many products purchased from Canada and other countries.

Agronomy, hardware, animal feed, and energy products are sourced through manufacturers and distributors that specialize in the products needed by our member owners and customers.

Risks in Supply Chain

Our company is committed to respecting human rights and will work towards ensuring that forced labour and child labour is not a part of any product within our supply chain.

Actions Taken

Our company has been, and continues to be, committed to due diligence policies and process through our Code of conduct and complying with all Forced Labor and Supply Chain Acts in Canada. MCS's Compliance Program and Code of Conduct reaffirms the Company's policy of conducting its business both legally and ethically. The Code of Conduct standards apply to all the Company's businesses and include the expectation that those acting on its behalf will comply with the law, which includes forced and child labour laws.

As this is our initial reporting on our supply chain in response to Bill S-211 requirements, we do not have information available for this reporting period. However, our company is committed to developing and conducting an internal assessment of risks of forced labour and/or child labour in our organization's activities and supply chains. Our interest in this assessment is for identifying, addressing, and prohibiting the use of forced labour and/or child labour in our organization's activities and supply chains.

Our organization is committed to developing policy and procedures that enable us to monitor our suppliers and enact measures requiring our suppliers to have in place policy and procedures for identifying and prohibiting the use of forced labour and/or child labour in their activities and their supply chains. We will distribute this report annually to all company management, employees and on our public website.

Risk Assessment

Our company has begun the process of communicating with our suppliers to confirm that they do not distribute goods and services that support or condone child labour or forced labour in Canadian or International supply chains. Develop a questionnaire for all suppliers to sign.

Our company has communicated with partners in the industry to work together to develop steps going forward to identify risks with our supply chain.

Our company is developing policy and procedure for our management and employees to learn and to follow company policy on the use of forced labour and/or child labour in our supply chains.

Remediation

MCS recognizes the responsibility that we share with our suppliers to provide remedy to victims of slavery. Successful remediation is not easy to achieve and requires a victim-led, consultative and multi-stakeholder approach.

1. Definition of a complaint- a complaint as a report of violation that has occurred in our supply chain and internal business and has a direct adverse

human rights impact. The complainant should be able to produce sufficient information to demonstrate the relevance and seriousness of the complaint.

2. Designing a remediation procedure- MCS recognizes that it is important to identify and establish a remediation team to develop the business's remediation procedure. This should be made up of representatives from the workforce, managers, and local non-governmental organisations with expertise in modern slavery and forced labour where available. If there is an existing government or civil society-backed organisation, process or project providing remedy for victims of modern slavery, these should be identified and involved in the development of the remediation procedure. Protecting the victim of slavery must be the priority of the remediation programme. The remediation team must seek to understand the specific needs, circumstances, and aspirations of each victim and what it was that pushed them into modern slavery.
3. Dealing with a case of forced labour and/or child labour- Conduct an initial assessment of the allegations to ensure that there is sufficient information to understand the exploitation discovered and remedy it. Ascertain if a supplier or labour provider is implicated. Report the allegations to relevant authorities.
4. Ongoing support and monitoring- Evaluating how effective the remediation procedure was and amending it accordingly. Reviewing internal policies and procedures to determine what needs to change to prevent slavery from re-occurring.

Training

MCS is developing a training policy including knowledge of forced labour and/or child labour, identifying the risks within our supply chain, and creating a remediation policy and procedure.

This training policy would include review of policy on an annual basis and may include seminars and awareness campaigns.

Effectiveness Assessment

Once we have our training and policy developed, we would include number of employees trained each year. Awareness campaigns and seminars attended.

Record how many suppliers we have communicated with to confirm supply chain policy and record questionnaires and investigation/audits of any suppliers.

Sign off.

This report has been presented to our company's board of directors and approved.

This statement is made pursuant to Bill S-211, An Act to enact the Fighting Against Forced Labour and Child Labour in Supply Chains Act for the financial year ending 08/31/2023. It has been issued on behalf of Midwest Co-operative Services Inc. and approved by the Board of directors.

Signed,

A handwritten signature in black ink, appearing to be 'Kelly Boyle', written over a horizontal line.

Kelly Boyle

General Manager

Date 28/05/2024.