

STATEMENT REGARDING MODERN SLAVERY 2023

The logo for RGO, consisting of the letters "RGO" in white, bold, sans-serif font, centered within a solid red square.

INTRODUCTION

RGO is dedicated to upholding the highest standards of ethical conduct and social responsibility across our operations. Our commitment extends to the prevention and eradication of modern slavery in our supply chain, including child labour, forced labour, human trafficking and human exploitation, as outlined in this report prepared under the requirements of Bill S-211, the Fighting Against Forced Labour and Child Labour in Supply Chains Act.

1. STRUCTURE, OPERATIONS, AND SUPPLY CHAINS

RGO primarily functions as a distributor and service provider for products manufactured upstream in the supply chain. Our operations involve collaborating with a select group of suppliers who share our commitment to corporate social responsibility and ethical business practices. In 2023, our primary focus was on enhancing our engagement with these suppliers to ensure alignment with our ethical standards.

2. POLICIES AND DUE DILIGENCE PROCESSES

In 2023, RGO undertook a comprehensive review of our corporate policies, including a thorough reassessment of our Supplier Code of Conduct to better address modern slavery risks. This updated code, which reinforces our zero-tolerance stance on forced and child labor, will be rolled out to both Tier 1 and Tier 2 suppliers starting in 2024. Additionally, all employees at RGO are required annually to sign off on our Code of Ethics Policy, which will be updated to include enhanced provisions related to the identification and prevention of modern slavery. This year, we also engaged with external advisors to review our risks and exposure to modern slavery, ensuring our policies remain robust and effective against evolving risks in our supply chain.

3. MODERN SLAVERY RISKS

In our assessment, the risk of modern slavery within our direct operations is low due to high regulatory standards in Canada. However, we recognize the potential risks in our supply chain. In 2023, we conducted a thorough review of our Tier 1 suppliers to ensure compliance and plan to extend these diligence processes to our Tier 2 and 3 suppliers starting in 2024.

4. ACTIONS TAKEN TO ADDRESS MODERN SLAVERY

This year, we enhanced our oversight and engagement with our Tier 1 suppliers, focusing on ensuring their practices align with our ethical standards. This involved reviews of their policies and procedures concerning labour practices.

As RGO grows, the above-mentioned labour practice reviews have now been integrated into our supplier selection process. Potential new suppliers' labour practices will be subject to evaluation by RGO. Only those with practices aligning with our social and ethical standards and who agree to work in accordance with our newly revised Supplier Code of Conduct will be approved as suppliers.

5. MEASURES TO ADDRESS ECONOMIC IMPACTS

RGO strives to ensure that our efforts to combat modern slavery do not negatively impact the livelihoods of workers in our supply chain. To this end, we have programs that promote fair wages and safe working conditions throughout our supply network, including employees and contractors.

6. TRAINING ON MODERN SLAVERY

At RGO, we ensure that all new employees undergo comprehensive training that includes an overview of RGO's policies, focusing on our Code of Conduct and our ethical procurement practices. This training is crucial for staff involved in the supplier selection process, equipping them with the necessary knowledge to uphold our high standards. Additionally, management plays a direct role in the supplier selection process, ensuring alignment with our ethical commitments. In 2024, we have planned targeted training sessions designed to help our procurement teams better identify and mitigate risks associated with potential high-risk suppliers. This initiative is part of our ongoing effort to strengthen our capabilities in preventing modern slavery in our supply chain.

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7. ASSESSING THE EFFECTIVENESS OF ACTIONS

Management will regularly review the effectiveness of our actions against modern slavery. This includes audits of supplier compliance with our Code of Conduct and ongoing risk assessments to identify and mitigate potential issues before they arise.

Looking forward to 2024, RGO is committed to expanding our risk assessments and due diligence processes to include all Tier 2 suppliers. We believe this proactive approach will further strengthen our ability to identify and mitigate any risks of modern slavery in our extended supply chain.

APPROVAL AND PUBLIC DISCLOSURE

This statement has been approved by the board of directors of RGO and is publicly available on our corporate website, in compliance with the transparency requirements of Bill S-211.



Ross Glen, Chairman



Cathy Orr, President & CEO