



Rimrock Cattle Company Ltd.

Forced Labour and Child Labour in Supply Chains Company
Assessment



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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.

The measures introduced through former 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 step 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 Rimrock Cattle Company Ltd.’s 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).

The entities covered by this report are Rimrock Cattle Company Ltd. (“Rimrock Cattle”).

Rimrock Cattle 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 Rimrock Cattle covered by this report is for the year ending December 31, 2023.

Structure, Activities & Supply Chain

Rimrock Cattle operates as a corporation (Business Number: 742375306) located at P.O. Box 5279, High River, Alberta.

Rimrock Cattle operates within the agriculture industry, buying Canadian cattle and feeding the cattle until they meet the size specifications for sale. Once size specifications are met, these cattle are distributed to slaughterhouses and meat markets within Canada.

Rimrock Cattle grows, purchases, and sells crops to be used in feeding livestock or to resell in the commodity markets within Canada. These crops include silage, wheat, oats, corn, barley, hay, and straw.

Rimrock Cattle also operates a feed yard in Canada for raising cattle until size specifications are met for slaughtering and / or being put into meat markets. Rimrock Cattle also ensures that animal welfare is kept top priority by monitoring feed and water intake, and ensuring veterinary assistance is given when appropriate. Within Canada, Rimrock Cattle procures cattle directly from farmers and auction marts and through brokers. Feed yard services include the provision of feed, veterinary supplies, and care for the animals. Feed crops, including silage, wheat, canola, barley, hay, and straw are homegrown. Veterinary supplies for

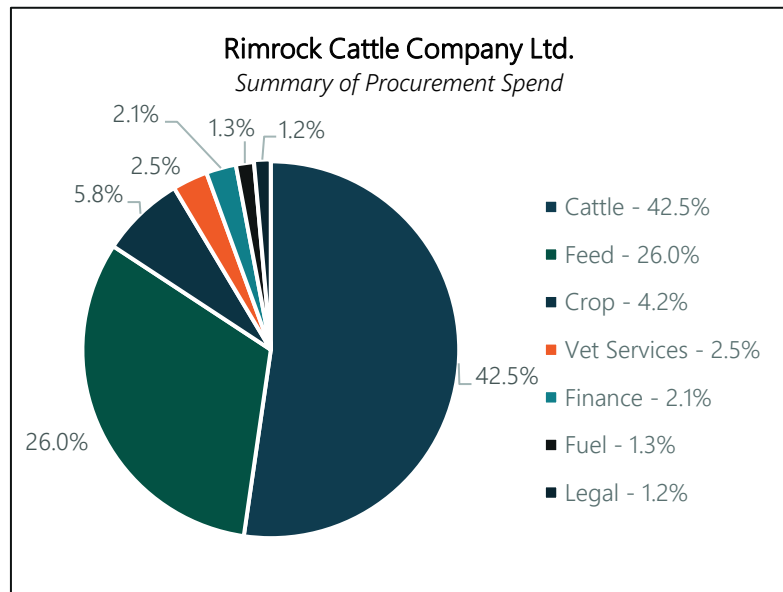


Figure 1: Summary of Procurement



cattle are purchased from a local veterinarian. Fuel is incorporated among all three main activities. See Figure 1 (above) for a breakdown of procurement spend across all activities during the fiscal year.

Policies & Due Diligence

Rimrock Cattle has the following policies and due diligence procedures in place to mitigate the risk of child labour and forced labour within internal activities and their supply chain.

Internal Policies

1. *Violence and Harassment Policy:* Certain elements of the *Preventing Violence and Harassment at Work* Policy relate to conducting work in an ethical and professional manner and expected behaviour that must be followed. The Company also commits to a harassment-free work environment where all representatives are treated with respect and dignity and where candidates and employees are free from any form of discrimination. Examples include the *Preventing Violence and Harassment at Work* presentation and policy documents that outline appropriate behaviour as well as mechanisms in place to report such behaviour at the management and employee levels.
2. *New Employee Onboarding:* When hiring a new employee, the company undertakes an onboarding process, which includes reviewing the *Preventing Violence and Harassment* policy documents. This document has aspects related to forced labour and or child labour through non-discrimination, anti-harassment and professional behaviour clauses.

Due Diligence Processes

1. *New Employee Hiring Process:* When Rimrock Cattle is interviewing potential employees for hiring, part of their due diligence process is reviewing government-issued identification. This process verifies the identity and birthdate of the applicant and is retained in their employee file.
2. *Safety Committee:* A mechanism is in place for employees to confidentially report violations, violence and harassment, other policies, or laws, or if they have questions or inquiries. This is an employee led committee.
3. *Employment Contracts:* Where employees are hired on a temporary or contract basis, the Company requires an employment contract to be signed by the individual.
4. *Supplier Due Diligence:* When selecting suppliers to engage with, Rimrock Cattle considers community reputation, past performance, commodity pricing, and the likelihood of delivery. While Rimrock Cattle approves, monitors, and oversees supplier performance, there is currently no formal policy guiding buyers on procurement processes or incorporating assessments related to this Act.

Risk Assessment

A risk assessment of Rimrock Cattle's industry of operation, goods procured, and the 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

Rimrock Cattle 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

Rimrock Cattle 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 wheat.

All other remaining goods were not included in either of the indices, therefore, Rimrock Cattle concludes that these remaining goods have a low inherent risk of child labour or forced labour.

Countries Which Goods Are Procured From

This report focuses on direct supplies only. Rimrock Cattle 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 Forced & Child Labour

To date, there have been no instances identified by Rimrock Cattle of forced labour or child labour within their activities or supply chains. Therefore, Rimrock Cattle 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 our activities and supply chains.

Remediation of Vulnerable Family Income Loss

To date, there have been no instances identified by Rimrock Cattle of forced labour or child labour within their activities or supply chains. Therefore, Rimrock Cattle have not identified any loss of income to vulnerable families resulting from measures taken to eliminate the use of forced labour or child labour in our activities and supply chains.

Awareness Training

Rimrock Cattle does not have training in place on the topic of child labour or forced labour. However, of the policies identified above relevant to this Act, Rimrock Cattle does incorporate training for new employees from experienced personnel. This includes the review of the *Preventing Violence and Harassment at Work* policy.



Rimrock Cattle is exploring opportunities to provide training to all employees in identifying, assessing, and responding to risks of child labour and forced labour within the activities and supply chains of the company.

Assessing Effectiveness

To track Rimrock Cattle's effectiveness of procedures to mitigate the risk of child labour and forced labour, the following mechanisms are in place:

- Policy review: Rimrock Cattle is exploring the opportunity to review and update relevant policies on a frequent basis to ensure relevance and accuracy based on the current operating conditions in accordance with the Act.
- Conduct and behaviour incidents: Rimrock Cattle has policies against inappropriate conduct and behaviour. All claims made regarding this will be reported to management and appropriate resolution undertaken, including developing an action plan to resolve the issue in a timely manner.
- Safety Committee: A mechanism is in place for employees to confidentially report violations violence and harassment, other policies, morals or laws, or if they have questions or inquiries. This is an employee led committee.
- Supplier monitoring: Though informal, discussions will continue to exist with suppliers regarding issues that may impact the Entities' supply chain.

Rimrock Cattle recognizes that there are areas of opportunities to reduce the risk of child or forced labour within its activities and supply chains.

Steps Taken by Rimrock Cattle

Rimrock Cattle has taken the following steps to prevent and reduce the risk that forced labour or child labour:

- Mapping activities: As part of this report, Rimrock Cattle has mapped its activities to understand its areas of risk.
- Mapping supply chains: Identifying components of the Rimrock Cattle's supply chain including who the suppliers are, country of origin, as well as the good supplied.
- 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, Rimrock Cattle has identified risks within their activities and supply chains that have inherent risks of child labour and/or forced labour.
- Due diligence processes and policies: Rimrock Cattle has policies and documents, although nothing specific to voluntary recruitment of forced and child labour. Staff agree to these policies and documents when joining Rimrock Cattle. As a general due diligence measure (internal control), Driver's Licenses are verified at the time of hiring.



Rimrock Cattle has processes for workers to report incidents or complaints, without fear of retaliation. Rimrock Cattle maintains internal accountability standards and procedures to respond to failure by workers to meet organizational policies, expectations, and commitments; although, these are not specific to forced and child labour.

- Supplier due diligence: Rimrock Cattle has due diligence measures when choosing and selecting suppliers to engage with, including community reputation, past performance, commodity pricing, and likelihood of delivery.



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.

Doug Price

Full Name

Signature

President

May 31, 2023

Title

Date

I have the authority to bind *Rimrock Cattle Company Ltd.* and this report covers financial year 2023 and applies to *Rimrock Cattle Company Ltd.* and all entities considered reporting entities in terms of the Act and any controlling subsidiaries of *Rimrock Cattle Company Ltd.* if they apply.