



Report on Forced Labor in Canadian Supply Chains

May 28, 2024

Introduction

We are pleased to provide this report outlining the on-going actions of Schooten & Sons Feedyards Ltd (Schooten&Sons) in our financial year 2023 to support the requirements of the Forced Labor in Canada Supply Chains Act.

Headquartered in Diamond City, Alberta, Canada, Schooten & Sons is a leading producer of high quality sustainably raised Alberta Beef. As an organization we are committed to upholding our core values of Teamwork, Animal Welfare, Excellence, Respect, and Integrity.

Schooten & Sons is fully committed that its business practices, human resources procedures and the selection of its staff and those with whom it does business are aligned with good faith efforts to ensure that exploitative practices are addressed and eradicated from our supply chain.

Commitment in 2023

In our 2023 financial year, we obtained a better understanding of the risks associated with forced labor and child labor and how such risks may be present in our operations and supply chains. Through our inhouse process, we initiated an inquiry into our supply chain partners protocols on labor.



In addition, we remain committed to maintaining high standards of integrity and accountability in conducting our business while at the same time seeking to grow the business and value. While no specific training related to forced labor and child labor was provided to employees, we are in the process of updating our Code of Business Ethics, Employee Code of Ethics, and Whistleblower policy to ensure alignment and compliance across our organization. These policies ensure all employees conduct business with maximum integrity and commit to fully comply with all applicable laws, rules and regulations.

Structure

Schooten & Sons is a Canadian controlled private corporation owned by the Schooten family. The operation is committed to the highest operating standards of employee welfare and food production. We have been in business for 15 years and currently employ 150 employees.

Supply Chain

Schooten & Sons sources the majority of the goods and services required for operations from local companies operating in Canada.

Our largest purchase is primary live cattle and feed. The majority of our cattle purchases are through local cattle dealers. The majority of our feed purchases are bought through local feed suppliers.

Risk Assessment

Schooten & Sons operates in Canada, with our primary suppliers based in Canada, using commodities sourced primarily from Canada. We are in process of conducting a risk assessment of our supply chain to identify industries, products, and countries considered to have a high risk of forced labor and child labor practices. Canada at a country level has a low inherent risk of forced labor, modern slavery, and child labor.



Our risk assessment concluded that most products and services in our supply chain are considered low risk.

Risk Mitigation

With most of our supply chain in a low risk environment, we rely on our code of ethics and use of reputable suppliers to mitigate any risk with forced labor or child labor.

At this time, we have not identified any forced labor or child labor in our activities and supply chain that require remediation.

Monitoring

We remain committed to further developing and continuously refining our policies, procedures, and programs as we learn more about the risks in our supply chain and ways to mitigate them.

To assess the effectiveness of actions related to ensuring that forced labor and child labor are not being used in our business and supply chains, we commit to:

- Monitor and annually review compliance with the Act and report the results internally to the Schooten & Sons ownership group.
- Regularly review the content of the Code of Business Ethics and Employee Code of Ethics to ensure it is current and fit for purpose.

Future Steps



Our focus for the coming year includes a review of our policies and procedures with a special attention related to forced labor and child labor.

Approval

In my capacity as Director, President & CEO of Schooten & Sons, and not in my personal capacity, I make this attestation in accordance with the requirements of the Act.

In accordance with the requirements of the Act, and 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.

A handwritten signature in black ink, appearing to be "Shane Schooten", written over a horizontal line.

Shane Schooten

President Schooten & Sons Feedyards Ltd

Date: May 28, 2024