



Simple Canada Group Forced Labour and Child Labour Report

Introduction

This Forced Labour and Child Labour Report (this “**Report**”) is a joint report which applies to, and describes the reasonable steps taken by, the following reporting entities to mitigate forced labour and child labour in our organization’s operations and supply chains:

	<u>Reporting Entity</u>	<u>Abbreviation</u>
1.	Simple Canada (II) Limited	SCII
2.	Simple AB Retail Canada Limited	SABRC

SCII and SABRC are wholly owned subsidiaries of the J.R. Simple Company (Simple). Simple and its other subsidiaries which are not an “entity” under the Act (as defined below) are not included in this Report. Nevertheless, Simple and other Simple subsidiaries are governed by the same global policies and processes described in this Report.

In this Report, SCII and SABRC are hereinafter referred to collectively as “**Simple Canada Group**” or “**we**”, “**us**” or “**our**” except where the context otherwise requires. Please note that although SCII and SABRC operate independently, this Report is filed jointly because the information provided generally applies to both entities.

This Report for the period September 1, 2022 to August 31, 2023 (“the reporting period”) is made pursuant to the *Fighting Against Forced Labour and Child Labour in Supply Chains Act* (Canada), also known as the Modern Slavery Act (the “**Act**”).

This Forced Labour and Child Labour Report is intended to meet the current disclosure requirements of the Act.

Each entity within the Simple Canada Group is covered by Simple global and divisional policies, procedures and systems, including those relating to supply chain management, contracting, purchasing and human resources.

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Respect for Human Rights

Simplot Canada Group fully supports the objectives of the Act and opposes the use of all forms of forced labour and child labour in our operations and our supply chain. Respect for human rights is fundamental to our values, the long-term stability and growth of our business, and to the wellbeing of the communities in which we operate.

As set out in the United Nations Guiding Principles on Business and Human Rights (“**UNGPs**”), business enterprises have a responsibility to respect internationally recognized human rights. The responsibility to respect human rights requires that business enterprises: (a) avoid causing or contributing to adverse human rights impacts through their own activities, and address such impacts when they occur; and (b) seek to prevent or mitigate adverse human rights impacts that are directly linked to their operations, products or services by their business relationships, even if they have not contributed to those impacts. In applying the lens of the UNGPs, we have assessed the potential for our operations to cause, contribute to, or be directly linked to adverse human rights impacts, including forced labour and child labour. For the reasons described in this statement, we remain of the view that there is low risk that our operations have caused or contributed to adverse human rights impacts.

Corporate Structure, Activities and Supply

Simplot

SCII and SABRC are Simplot wholly owned subsidiaries. Simplot is a family-owned, privately held global food and agriculture company headquartered in Boise, Idaho. Its integrated portfolio includes food processing and food brands, phosphate mining, fertilizer manufacturing, farming, ranching and cattle production, and other enterprises related to agriculture. Through its subsidiaries, Simplot has significant operations in the U.S., Canada, Mexico, Australia, Argentina, India, and China, with products marketed in more than 40 countries worldwide. While Simplot has no direct employees in Canada, it purchases potato products from SCII which are then exported from Canada.

SCII

SCII owns and operates a potato processing facility in Portage la Prairie (Portage), Manitoba, Canada. SCII began these operations in 2003 and recently expanded the facility to 460,000 square feet. The facility employs more than 400 people. SCII purchases thousands of tonnes of raw potatoes from dozens of Canadian growers each year. SCII also imports ingredients from the U.S. and other countries. SCII’s head office and registered office are in Manitoba. Most finished products are sold to customers, including Simplot, in the U.S.

SABRC

SABRC is a Canadian agricultural retail distribution business operated as Simplot Grower’s Solutions (SGS). The company was reorganized in western Canada in January 2023. SABRC has 18 agriculture retailer locations and distribution facilities throughout Western Saskatchewan and

Southern Alberta, with its Canadian head office in Kindersley, Saskatchewan. It employs over 180 people in Western Canada. SABRC's supply chain primarily consists of domestic and foreign suppliers covering various agricultural product categories including fertilizer, pesticides, herbicides, inoculants, and seed.

Simplot Canada Group's Workforce

The majority of Simplot Canada Group's workforce consists of full-time employees. SABRC and SCII utilize a very small pool of contractors, casuals, and external consultants. Employee salaries are reviewed annually against local market data.

Simplot Canada Group's Suppliers

The following table categorizes SCII's and SABRC's suppliers:

Direct Suppliers	Direct Suppliers provide ingredients, packaging, and raw materials that form part of our finished product for consumers.
Indirect Suppliers	Indirect Suppliers provide goods and services that do not directly form part of our finished goods for consumers. This includes the equipment, sanitation services, etc. used at our facilities.
Logistics Suppliers	Logistics Suppliers provide transport services for our product within Canada and internationally. This includes transport by truck, rail, and ocean freight.
Agricultural Suppliers	Agricultural Suppliers provide the agricultural inputs to our manufacturing facilities which become finished goods.

Policies and Due Diligence Processes

Simplot Canada Group maintains an informal governance framework that manages forced labour and child labour risks across our operations and supply chain. This includes our policies, monitoring activities, and engagement with our team members and suppliers.

Governance Structure

We are committed to upholding human rights and taking the necessary steps and actions to ensure that we identify, manage, and mitigate risks of forced labour and child labour. Accountability and responsibility for managing human rights risks, including child labour and forced labour for Simplot Canada Group operations, resides with our Business Unit Director for SABRC and with our Plant Director for SCII.

Governance Framework

Our policies outline our values and ways of working. They detail the standards and principles that we expect our customers, contractors, suppliers and their suppliers to adhere to when conducting their business and business with us.

Employee Hotline

Employees who identify activities not in compliance with Simplot's Code of Conduct or our Canada Employee Handbook may report them to Simplot Legal Department through the Employee Reporting Hotline, which is available 24/7 in any language via toll-free telephone number (1-800-491-3019), online at www.EmployeeReportingHotline.Simplot.com, and by mail to Corporate headquarters in Boise, Idaho. Employees who contact the hotline may remain anonymous, and confidentiality is maintained on a need-to-know basis. Simplot policies prohibit retaliation against employees who file complaints or participate in an investigation as a witness.

Your Employee Reporting Hotline

 Simplot Team [Follow](#)
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The J.R. Simplot Company is committed to promoting equal employment opportunities and a respectful and ethical workplace for all employees. The Employee Reporting Hotline gives employees a place to voice concerns and resolve workplace issues.

If you believe you have experienced or observed:

- Discrimination
- Harassment
- Code of Conduct
- Favoritism/Conflict of Interest
- Violations of Company Policy
- Fraud/Theft
- Accounting Irregularities
- Safety or Food Safety Concerns
- Environmental Concerns
- Data Privacy Request or Concern
- Other

Policies and Procedures in our Operations

Simplot's Code of Conduct: Defines the global behavioral expectations for our employees with respect to other employees, suppliers, customers and members of the community.

Relevant to forced and child labour, our Code of Conduct states the following:

“At Simplot we support fundamental human rights for all people and we strive to respect and promote human rights by conducting our activities in accordance with the principles set out in the United Nations Universal Declaration of Human Rights. We prohibit the use of all forms of forced labour, including slave, forced, bonded, indentured or involuntary prison labour and any form of human trafficking or exploitation, including the importation of goods tainted by slavery or human trafficking. We prohibit the employment of underage children or forced laborers and we also forbid physical punishment or abuse. In our employment practices we respect the right of employees to associate or not to associate with any group, as permitted by and in accordance with applicable laws and regulations. We comply with employment laws in every market where we operate.”

Complaint and Investigation Policy: This policy provides a framework for the investigation of alleged Company policy violations under the guiding principles of confidentiality, impartiality, fairness, protection against retaliation, and speed. The policy encourages prompt reporting of instances of theft, bribery, corruption, unlawful harassment, unlawful discrimination, or other potentially illegal acts in violation of Company policies. Employees are free from restraint, interference, coercion, discrimination, or reprisal when filing a complaint in good faith, providing information to an investigator, or otherwise cooperating with an investigation. To date, there have been no concerns raised through our Whistleblower mechanisms regarding modern slavery violations with respect to Simplot Canada Group.

Policies and Procedures for our Supply Chain

We have several policies relevant to our suppliers:

Supplier Contracts: Direct and Indirect Supplier contracts require compliance with Simplot's Code of Conduct, which prohibits all forms of child labour and forced labour.

Supplier Food Safety and Quality Audit Program: Simplot's global food operations team manages a Direct Supplier food safety assurance program that includes a supplier audit schedule based on key risk criteria in areas of food safety and quality. The assurance program questionnaire requires the vendor to acknowledge and comply with employment and labour standards including a prohibition against forced and child labour.

Forced Labour and Child Labour Risks

As a large agricultural and food manufacturing business, our operations and supply chain are diverse and complex. We have conducted periodic informal assessments to evaluate areas of risk. This enables us to focus our efforts. We plan to implement a more comprehensive and formal process in the future. To date, no instances of child labour or forced labour have been identified in Simplot Canada Group's operations or supply chain.

Compliance with Child Labour Laws

Both SABRC and SCII strive to comply with Canadian federal and provincial child labour laws. Prior to hiring an employee, we require candidates to confirm that they are at least 18 years old. We then verify their birthdate using the candidates' photo identification. During busy seasons, SABRC occasionally hires temporary youth employees. When this occurs, HR professionals help these youth employees and their managers understand work limitations. SABRC also participates in work experience programs sponsored by provincial ministries of education as part of school curriculums. Managers coordinate closely with school representatives to ensure students receive appropriate supervision and safety training.

Identifying Risks Within Our Operations

We assess the risk of modern slavery within our own operating locations to be low due to our established HR processes.

Identifying Risks Within Our Supply Chain

We believe the best process for identifying and mitigating child labour and forced labour risk involves collaboration and partnerships with our suppliers, partners, and growers. We expect our suppliers to comply with Canadian forced and child labour laws.

Remediation Measures

We are not aware of any forced labour or child labour practices occurring within our supply chain and we believe that our supply chain presents a low risk of forced labour or child labour being utilized. Accordingly, we have not undertaken any measures to remediate any forced labour or child labour to date.

Remediation of Loss of Income

We are not currently aware of any forced labour or child labour practices occurring within our supply chain and we believe that our supply chain presents a low risk of child labour or forced labour being utilized. Accordingly, we have not undertaken any measures to remediate any loss of income relating to any forced labour or child labour to date.

Training

We identified the need to develop a child labour and forced labour education program for our team members to help increase awareness and knowledge of child labour and forced labour in key operational roles and in our supply chain. We plan to implement training for relevant employees. This training is expected to include the following topics:

- Where and why does child labour and forced labour occur

- Which industries child labour and forced labour is most prevalent
- The different types of child labour and forced labour
- Indicators a supplier could be high risk such as risks due to the supplier's sector, industry, geography, business structure, etc.

Assessing Effectiveness

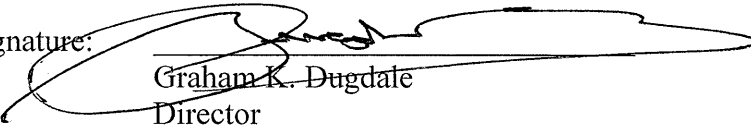
Simplot Canada Group is developing a process for assessing the effectiveness of our activities and to identify areas for improvement.

Approval and Attestation – Simplot Canada (II) Limited

This Report has been approved by the Board of Directors of Simplot Canada (II) Limited and is being provided as a joint report in respect of Simplot Canada (II) Limited and Simplot AB Retail Canada Limited for the reporting year September 1, 2022 to August 31, 2023 pursuant to Section 11(4)(b)(i) of the Act. This Report was approved by the Board of Directors of Simplot Canada (II) Limited on May 21, 2024.

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 Simplot Canada (II) Limited. 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.

I have authority to bind Simplot Canada (II) Limited:


Signature: 
Graham K. Dugdale
Director
Dated: May 21, 2024

Approval and Attestation - Simplot AB Retail Canada Limited

This Report has been approved by the Board of Directors of Simplot AB Retail Canada Limited and is being provided as a joint report in respect of Simplot Canada (II) Limited and Simplot AB Retail Canada Limited for the reporting year September 1, 2022 to August 31, 2023 pursuant to Section 11(4)(b)(i) of the Act. This Report was approved by the Board of Directors of Simplot AB Retail Canada Limited on May 21, 2024.

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 Simplot AB Retail Canada Limited. 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.

I have authority to bind Simplot AB Retail Canada Limited:

Signature: 
Douglas M. Stone
Director
Dated: May 21, 2024