



## REPORT BILL S-211

### **Modern Slavery Statement for the Financial Year ended June 30, 2023**

This statement is made pursuant to Bill S-211, An Act to enact the Fighting Against Forced Labor and Child Labor in Supply Chains Act and to amend the Customs Tariff. This statement outlines the approach and initiatives by Sunderland Co-operative Inc. to identify and address the risks of forced labor and child labor in its business operations and supply chains during the financial year commencing July 1, 2022, and ending June 30, 2023.

Sunderland Co-operative Inc. recognizes the importance of respecting human rights in all aspects of its operations and is committed to working towards ensuring its supply chain is free from forced labour and/or child labour.

Sunderland Co-operative Inc. was established on July 20<sup>th</sup>, 1950. The Head Office located at 1 River Street, P.O. Box 280, Sunderland, ON L0G 1H0.

### **Company Structure**

Sunderland Co-operative Inc. is an agricultural co-operative, owned by 1,800 farmers and has a successful track record of serving its members and rural residents for seven decades in the areas of Durham/York Region, Brock and Kawartha Lakes, and the counties of Victoria and Peterborough. It is a full-service agricultural co-operative offering *The Whole Farm Plan* with a complete complement of products and services in agronomy, feed, energy, grain marketing, and consumer needs. Sunderland Co-operative Inc. is a member-owner of **GROWMARK, Inc.** and markets its products and services under the FS brand.

### **Supply Chain**

Our supply chain involves the procurement of various products from both Canadian and US sources. We obtain agronomy, grain, animal feed, and energy products from manufacturers and distributors who specialize in providing these essential items to meet the needs of our member owners and customers.

### **Risks in Supply Chain**

Sunderland Co-operative is committed to respecting human rights and will work towards ensuring that forced labour and/or child labour is not a part of any product and service within our supply chain.



### **Actions Taken**

Our company's compliance program and code of conduct reaffirm our commitment to conducting business in a legal and ethical manner. All company employees are required to be familiar with and adhere to the compliance program and code of conduct as a condition of their employment.

Regarding our initial report on our supply chain in response to Bill S211 requirements, we currently do not have available information for this reporting. However, our company is dedicated to conducting an internal assessment of the risks of forced labor and child labor within our organization's activities and supply chains. This assessment aims to identify, address, and prohibit the use of forced labor and child labor in our operations and supply chains.

Sunderland Co-operative Inc. is committed to respecting human rights and is working towards ensuring that its supply chain management is free from forced labor and/or child labor. The company is working on the implementation of a comprehensive set of policies and practices to uphold high standards of ethical and responsible business conduct. Through collaborative efforts with our suppliers and the implementation of policies and procedures, our company aims to effectively monitor and regulate our suppliers. This includes implementing measures that mandate our suppliers to establish and enforce policies and procedures that identify and prohibit the use of forced labour in their operations and supply chains. We will distribute this report annually to all company management, employees and on our public website.

### **Risk Assessment**

Our company will begin to initiate communication with our suppliers to verify that they do not engage in the distribution of goods that endorse or tolerate forced labor or child labor in Canadian or international supply chains. This process will involve the creation of a questionnaire for all suppliers to confirm their adherence to these standards.

We are engaging with industry partners to collaborate on formulating a plan to proactively identify and address risks within our supply chain.

Furthermore, our company is in the process of developing policies and procedures to educate management and employees on how to recognize and adhere to company policies regarding the prevention of forced labor and child labor in our supply chains.

### **Remediation**

Sunderland Co-operative Inc. acknowledges the shared responsibility with our suppliers to provide remedies and prevent forced labor and child labor. We are creating a remediation procedure for forced labor and child labor which will include identification, consultation, stakeholder engagement, implementation, monitoring and evaluation, reporting and continuous improvement to ensure that the remediation process remains effective and responsive to evolving risks and challenges related to forced labor and/or child labor.



## **Training**

All Sunderland Co-operative Inc. employees must be familiar with and comply with the Compliance Program and Code of Conduct in the discharge of their duties. In addition to this we are also developing awareness training on forced labour and/or child labour issues, identifying the risks within our supply chain and creating a remediation policy and procedure.

This awareness training would include a review on an annual basis and **may** include on-going compliance seminars and awareness campaigns.

## **Effectiveness Assessment Plan for Forced Labor and/or Child Labor Training and Policy:**

1. Employee Training Metrics: Track the number of employees trained each year on forced labor and child labor issues. Monitor attendance and completion rates to ensure that all employees receive the necessary training.
2. Awareness Campaigns and Seminars: Measure employee participation in awareness campaigns and seminars related to forced labor and child labor. Evaluate the effectiveness of these initiatives in increasing employee awareness and understanding of the issues.
3. Supplier Communication: Record the number of suppliers with whom the company has communicated to confirm compliance with supply chain policies related to forced labor and child labor. Keep track of responses and actions taken by suppliers to address any identified risks.
4. Supplier Questionnaires: Administer questionnaires to suppliers to assess their understanding of and compliance with the company's policies on forced labor and child labor. Evaluate responses to identify areas for improvement and follow-up actions.
5. Supplier Audits and Investigations: Conduct audits and investigations of suppliers to verify compliance with the company's policies on forced labor and child labor. Document findings and corrective actions taken to address any non-compliance issues.
6. Performance Indicators: Develop key performance indicators (KPIs) to measure the effectiveness of the training and policy implementation, such as reduction in incidents of forced labor and child labor, increased supplier compliance, and improved employee awareness and reporting of potential violations.
7. Feedback Mechanisms: Establish feedback mechanisms for employees and suppliers to provide input on the training and policy implementation. Use feedback to make necessary adjustments and improvements to the program.
8. Continuous Monitoring and Improvement: Continuously monitor and evaluate the effectiveness of the training and policy implementation. Regularly review performance data and feedback to identify areas for improvement and adjust strategies as needed to enhance effectiveness in preventing forced labor and child labor in the supply chain.



**Sign Off**

This report has been submitted to our General Manager and Board of Director President, it has been reviewed and approved.

This statement is made pursuant to Bill S-211, An Act to enact the Fighting Against Forced Labor and Child Labor in Supply Chains Act for the financial year ending June 30<sup>th</sup>, 2023. It has been issued on behalf of Sunderland Co-operative Inc. and approved by the Sunderland Co-operative Inc. Board of Director President, Paul Brown.

Dated: May 29, 2024

Signed,

X Paul O'Brien