

Turtleford & District Co-operative
Association Ltd.



Forced Labour in Canadian Supply Chains

Turtleford & District Co-operative Association Ltd.

DATE
April 25, 2024



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Introduction

This report is The Turtleford & District Co-operative Association Ltd's response to comply with Section 11 of the Fighting Against Forced Labour and Child Labour in Supply Chains Act (the Act) for the financial year ending February 3, 2024. In this Statement, the terms 'the Co-op', 'we', 'us', and 'our' refer to The Turtleford & District Co-operative Association Ltd. The reporting entity covered by this statement is The Turtleford & District Co-operative Association Ltd, business number 105424808.

For the purposes of the Act, The Turtleford & District Co-operative Association Ltd. meets the entity definition by having a business in Canada, doing business in Canada and meeting all three threshold criteria for revenue, assets and employees. The Turtleford & District Co-operative Association Ltd. is incorporated provincially and is obligated to submit a report to the Minister of Public Safety and provide a public report in response to the Supply Chains Act by May 31, 2024.

The Turtleford & District Co-operative Association Ltd. is committed to continuous improvement in the areas of identification and remediation of forced and child labour in operations as well as local and global supply chains. Further, The Turtleford & District Co-operative Association Ltd is committed to respecting all human rights, in accordance with applicable law and the principles set forth in international standards, including the UN's Declaration of Human Rights, the UN Rights of Indigenous Peoples and UN Guiding Principles on Business and Human Rights.

Guided by core values of; Integrity, Community, Teamwork and Growth, The Turtleford & District Co-operative Association Ltd is committed to making ethical business decisions and taking proactive measures to address issues such as forced and child labour.

1. Structure, Activities, and Supply Chain

Structure

Based in Turtleford Saskatchewan, The Turtleford & District Co-operative Association Ltd. is one of 158 independent retail co-operatives from across Western Canada that make up the Co-operative Retailing System (CRS) and own FCL. The Turtleford & District Co-operative Association Ltd is in turn owned by 3792 members in Saskatchewan. As part of the CRS, The Turtleford & District Co-operative Association Ltd. helps build, feed and fuel individuals and in our local communities. We employ 90 individuals.



Activities

The Turtleford & District Co-operative Association Ltd. is largely business-to-consumer focused on serving the communities in which we operate. Our core retail lines of business include food, agriculture, home and building, fuel, propane and a convenience store.

Wholesale and Retail Trade

The Turtleford & District Co-operative Association Ltd.’s supply chain is comprised of products that are manufactured by FCL legally owned entities and products sourced for resale.

The Turtleford & District Co-operative Association Ltd distributes and sells products through its retail locations and cardlock locations in and around the communities of Turtleford, Maidstone, St. Walburg, Paradise Hill and the hamlet of South Bay. These products include; food, home and building supplies, crop supplies, agricultural equipment, livestock feed, propane, lubricants and petroleum. The products are purchased from our wholesaler, Federated Co-operatives Ltd. and then distributed to our communities using FCL’s fleet. Then, as required, distributed to our consumers utilizing our own fleet of vehicles.

Supply Chain

FCL’s supply chain is comprised of products that are manufactured by FCL legally owned entities and products sourced for resale. The Turtleford & District Co-operative Association Ltd. purchases the products from FCL to be then resold to the consumer.

Manufacturing (FCL)

CATEGORY	DESCRIPTION	LOCATION
AGRICULTURE	IPCO is a Canadian Manufacturer of agriculture products such as herbicides and fungicides, glyphosates and surfacants. FCL operates three feed mills that Manufacture animal feed and pet Food.	IPCO’s manufacturing is in Winnipeg, Man. The feed mills are in Saskatoon and Moosimin
ENERGY	CRC and CEC manufacture	



Wholesale and Retail Trade: Products Sourced for Resale

FCL

<u>Category</u>	<u>Description</u>
AGRICULTURE	Agricultural equipment, crop protection products, Fertilizer and feed.
ENERGY	Fuel, lubricants, propane
FOOD	Wholesaler to support food stores, convenience Stores, liquor and pharmacy and Co-op private label Food products.
HOME AND BUILDING SUPPLIES	Wholesaler and private label products (hardware, lumber, building materials, tools, paint, seasonal, plumbing and electrical products)

THE TURTLEFORD & DISTRICT CO-OPERATIVE ASSOCIATION LTD.

<u>Category</u>	<u>Description</u>
AGRICULTURE	Agricultural equipment, crop protection products, Fertilizer and feed.
ENERGY	Fuel, lubricants, propane
FOOD	Wholesaler to support food stores, convenience Stores, liquor and pharmacy and Co-op private label Food products.
HOME AND BUILDING SUPPLIES	Wholesaler and private label products (hardware, lumber, building materials, tools, paint, seasonal, plumbing and electrical products)

2. Policies and Processes in Relation to Forced and Child Labour

Internal

The Turtleford & District Co-operative Association Ltd. maintains Compliance and Ethics policies to which all employees must adhere to through an annual Code of Conduct attestation. The Turtleford & District Co-operative Association Ltd. has an established internal process for anonymous reporting of actual or potential wrongdoing including any actual or potential violation



of law, regulation, policy and procedure. Procedures are put in place to protect the anonymity of whistle-blowers from retaliation. The Turtleford & District Co-operative Association Ltd.'s Senior Leadership team regularly reviews human resource related policies to ensure The Turtleford & District Co-operative Association Ltd. remains in compliance with applicable workplace and labour legislation.

The Turtleford & District Co-operative Association Ltd. ensures that there is reduced risk of forced or child labour in operations through strict adherence to provincial and federal labour laws. As per Saskatchewan's labour laws, The Turtleford & District Co-operative Association Ltd. does not employ anyone under the age of 14, and follows all applicable young worker restrictions for employees under the age of 15.

Following FCL's lead, The Turtleford & District Co-operative Association Ltd. is exploring the implementation of effective grievance and remediation mechanisms in effort to address concerns or potential cases of forced and child labour in the supply chain. Our shared goal is to prioritize the reporting and remediation of forced and child labour incidents, protect victims and prevent future cases. Potential mechanisms may include:

- Development of a remediation framework with information on when to safeguard the victim, develop and implement a corrective action plan with the employer, alert national authorities and consult a third-party expert organization;
- Implementation of a software solution to audit suppliers; or
- Develop a grievance mechanism that suppliers' employees can access anonymously in a format that is inclusive and accessible.

Suppliers

FCL has a long tradition of sourcing local products and supporting local businesses. FCL suppliers offer a high standard of service and quality products and share FCL's values of Integrity, Excellence and Responsibility.

The Turtleford & District Co-operative Association Ltd. has similar shared values of Integrity, Community, Teamwork and Growth.

3. Identification of Risks

The Turtleford & District Co-operative Association Ltd.'s main supplier, FCL, accounts for 95% of total procured goods. In assessing the risk of forced labour or child labour at the direct supplier level for this relationship, FCL has concluded on the following assessment of the use of child labour and/or forced labour within their supply chain, using two separate indices - *Walk Free's Global Slavery Index* and *the US Department of Labor's List of Goods Produced by Child Labor or Forced Labor*.

1. Goods procured within the food categories of 1) protein foods (specifically seafood); 2)



beverages (specifically coffee); and 3) other (specifically chocolate):

- a. An inherent risk of child and forced labour has been identified within the above categories. FCL has a sustainable seafood policy and, sustainably sources fair-trade-certified products to mitigate these risks.
2. Goods procured for home building centres:
- a. Key suppliers of FCL's home building centres import from China, which has been identified as a country with a high inherent risk of forced and child labour. To mitigate this risk, FCL requires key suppliers to sign a Social Responsibility Agreement. The agreement requires suppliers to ensure they are supporting commitments to responsible sourcing and provide workers with fair wages and working hours, as well as a safe, clean, and healthy work environment.

FCL is exploring opportunities to understand and reduce the risk of forced and child labour within their supply chain therefore, The Turtleford & District Co-operative Ltd. will be relying on this on-going assessment to continue assessing goods procured from FCL.

The remaining 5% of goods purchased by The Turtleford & District Co-operative Association Ltd. are procured from outside of FCL. The Turtleford & District Co-operative Association Ltd. has 5 main categories of goods for resale, which include, food, agriculture, energy, fuel, and home and building supplies. These product lines are sourced from mainly 2 different countries, including USA and China. The figure below represents the countries of origin for the products that could potentially be sourced for resale.. Key suppliers of The Turtleford & District Co-operative Association Ltd. may at times import goods from China. Using two separate indices, Walk Free's Global Slavery Index and the US Department of Labor's List of Goods Produced by Child Labor or Forced Labor, China has been identified as a [high inherent risk country](#) for forced and/or child labour. The Turtleford & District Co-operative Association Ltd. is exploring opportunities to implement a supplier code of conduct to minimise this impending risk.

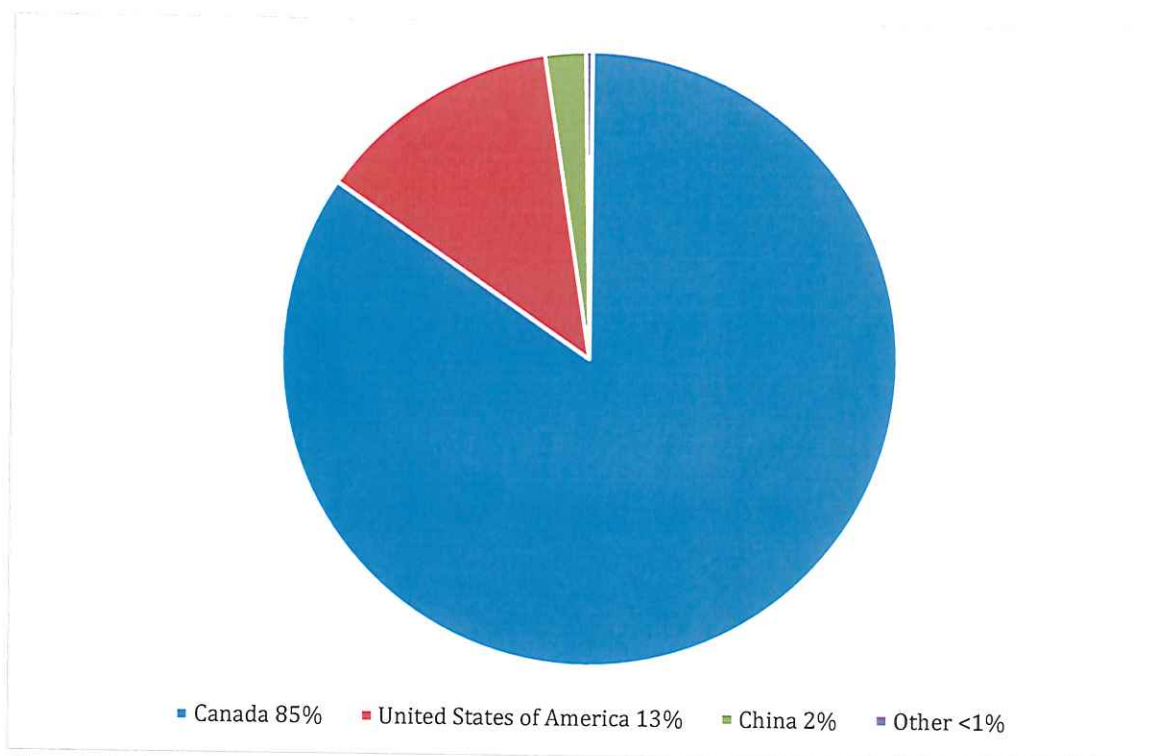


Figure 1. Total spend by country in fiscal year 2023 on <categories witch risk assessment was conducted for>.

4. Remediation of Forced and Child Labour

The Turtleford & District Co-operative Association Ltd. will take action to remediate potential risks of forced and child labour through deployment of policies and procedures briefly outlined in Section 2 of the report. In the future, The Turtleford & District Co-operative Association Ltd. will explore opportunities to increase auditing and monitoring of suppliers to reduce the risk of forced and child labour. If specific incidents of forced and child labour are identified, the Turtleford & District Co-operative Association Ltd. will work with suppliers to determine and implement remedial action.

5. Remediation of Loss of Income

The Turtleford & District Co-operative Association Ltd. has not identified any child or forced labour in operations or supply chains, and therefore no measures have been taken to remediate the loss of income to vulnerable families that results from any measures taken.



6. Employee Training

Annual training and attestation are currently required for all employees to ensure compliance with The Turtleford & District Co-operative Association Ltd.'s Code of Conduct on company ethical standards, policies, laws and regulations. The Code of Conduct is applicable to everyone that conducts business on behalf of the organization which includes the Turtleford & District Co-operative Association Ltd.'s Board of Directors, the Senior Leadership Team and all current and new employees and contractors. Turtleford & District Co-operative Association Ltd has identified the opportunity to incorporate human rights awareness training into the annual Code of Conduct attestation to create awareness and the associated risks of forced and child labour. In addition, Turtleford & District Co-operative Association Ltd is exploring opportunities to provide role specific training to educate team members and help them identify and respond to risks of child and forced labour in supply chains. These opportunities will be evaluated through fiscal year 2024.

7. Efficacy of Actions

The Turtleford & District Co-operative Association Ltd has conducted a review of current policies and procedures as they pertain to child and forced labour and is currently evaluating further measures to assess the efficacy of actions. Success will be evaluated by tracking relevant performance indicators, such as levels of employee awareness, number of vendors signing the Social Responsibility Agreement, number of employees in procurement roles participating in training, as well as an annual review of the policies and procedures in place related to forced and child labour.

8. Approval and Attestation of the Report

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 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.

Full name JERRAD MILLARD
Title President
Date MAY 17/24
Signature [Handwritten Signature]

I have the authority to bind The Turtleford & District Co-operative Association Ltd.. The Statement has been reviewed and approved by the Board on behalf of itself.

