

Clearview Consumers Co-op



Child and Forced Labour in Supply Chains

Clearview Consumers Co-op Ltd

May 2025



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Introduction

This report has been prepared by Clearview Consumers Co-op Ltd to comply with the requirements set forth in Section 11 of the Fighting Against Forced Labour and Child Labour in Supply Chains Act (“the Act”) for the financial year ending October 31, 2024. In this Statement, the terms ‘the Co-op’, ‘we’, ‘us’, and ‘our’ refer to Clearview Consumers Co-op Ltd.

For the purposes of the Act, Clearview Consumers Co-op Ltd meets the definition of ‘entity’ by doing business in Canada and meeting all three threshold criteria for revenue, assets, and employees, as well as the definition of ‘reporting entity’, by importing and distributing goods in Canada. Therefore, as stipulated in the Act, the Co-op is obligated to comply with the reporting requirements by May 31, 2024.

The Co-op is committed to respecting all human rights in accordance with applicable laws in Canada and 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, and is firmly against any forms of child labour and forced labour in Canada and globally.

Since last year’s report, in response to subsection 11(1) of the Act, we have made tangible progress in upholding the requirements of the Act. Specifically, we have implemented a dedicated Supplier Code of Conduct explicitly referencing the Act and updated our Employee Code of Conduct and related policies to reflect these obligations explicitly. Furthermore, we’ve provided targeted training to management employees involved in procurement decisions to enhance their awareness and decision-making regarding ethical sourcing. These initiatives underline our ongoing commitment to proactive due diligence, ethical practices, and continuous improvement in addressing and mitigating risks associated with child and forced labour across our supply chain.

As the supplementary information provided below in compliance with subsection 11(3) describes, the Co-op is committed to making ethical business decisions and to doing its part to minimize the risk of child labour and forced labour in its activities and supply chains.



1. Structure, Activities, and Supply Chain

Structure

Based in Steinbach, Manitoba, Clearview Co-op is one of more than 150 independent retail co-operatives across Western Canada that make up the Co-operative Retailing System (CRS) and is owned by approximately 40,000 members in Manitoba and Ontario. As part of the CRS, Clearview Co-op helps build, feed, and fuel local communities. We operate over 20 business locations, including gas stations, food and hardware stores, and a motel.

Activities

The Co-op's business is largely business-to-consumer (B2C), focused on serving the communities in which we operate. Our activities include retail trade; wholesale trade; transportation and warehousing; accommodation and food services; and real estate, rental, and leasing. Our core retail product categories include agriculture, energy, food and beverage, and general merchandise. We employed approximately 327 individuals across these activities and our locations within the province of Manitoba as of October 31, 2024.

Supply Chain

The Co-op sources a large majority (92.4 percent in dollar terms) of its products across various categories from Federated Co-operatives Limited ('FCL'), which is owned by and services all retail co-operatives in the CRS. FCL sources products and raw materials from many suppliers within Canada and outside of Canada. For more information on FCL's activities and supply chains, please refer to their corresponding submission in compliance with the Act.

Products not procured via FCL, which represented approximately 7.6 percent in dollar terms in the Co-op's most recent financial year, are sourced from suppliers in Canada and the United States, with the latter representing less than 0.1 percent of total.

The following table describes the four main categories of goods that the Co-op procures and resells at its locations.

CATEGORY	EXAMPLES OF GOODS
AGRICULTURE	Agricultural equipment, crop protection products, fertilizer, feed, and seeds
ENERGY	Fuel, fluids, propane
FOOD & BEVERAGE	Meat, restaurant food and supply, groceries, produce
GENERAL MERCHANDISE	Hardware, health and beauty supplies, home supplies, toys, fuel tanks, batteries, air fresheners, gloves, greeting cards, bug spray, car wash supplies, tobacco



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

Internal Activities

The Co-op ensures there is minimal risk of child and forced labour in our operations through a strict adherence to provincial and federal labour laws. In accordance with Manitoba's labour laws, we do not employ anyone under the age of 13 and we follow all applicable young worker restrictions for employees under the age of 16, which may be employed for certain jobs, as allowed by provincial laws.

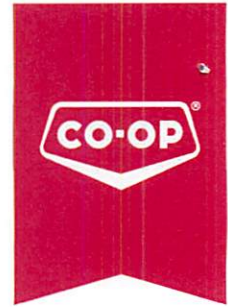
In addition, the Co-op maintains an Employee Code of Conduct to which all employees must adhere to. While the Code of Conduct does not currently have an explicit reference to child and forced labour, our Human Resources team is continuously updating it to ensure compliance with applicable legislation and will be considering the necessary changes to raise awareness of the issue among our employees.

Supply Chain

As a co-operative that is owned by local members, sustainability is embedded in the Co-op's business by planning and investing for the long term, with our communities and environment in mind. This includes building strong relationships with our suppliers, many of which are local Canadian businesses, and working collaboratively with them to uphold responsible business practices and address issues that may arise.

Given that FCL supplies a large majority of our goods, we rely on its policies and practices to uphold environmental, social, and ethical responsibility in supply chains, including the reduction of risk of child labour and forced labour. Outlined in their own submission are several measures that FCL has put in place in previous years, including but not limited to:

- the launch in 2022 of the Care for the Environment brand attribute, which focuses on purchasing responsibly, promoting regeneration, reducing emissions, and eliminating waste;
- a Social Responsibility Agreement with food, home, and building suppliers to support commitments to meet basic principles of human rights (including not using forced, prison, or child labour), and to provide workers with fair wages and working hours and a safe, clean working environment; and
- the launch of a Sustainable Seafood Policy in 2010, followed more recently by a survey in 2023 of seafood suppliers, in which all those who responded indicated that they had processes in place to meet employment standards regarding child and forced labour.



For more information, please refer to FCL's submission in compliance with the Act.

The Co-op has also worked to update its employee code of conduct to explicitly reference the fighting against forced labor and child labor in supply chains act. This update ensures that employees are aware of and comply with the new legal requirements. There is also a new supplier code of conduct that was created as part of the effort to adhere to the spirit of the act, which was implemented last year. The Co-op's supplier code of conduct outlines mandatory compliance with the Fighting Against Forced Labour and Child Labour in Supply Chains Act. It explicitly states that suppliers must not use forced or child labour as defined in the Act and must ensure all workers, including temporary and migrant staff, are legally eligible to work. The Code takes precedence over conflicting local laws and applies to subcontractors as well, and enforces a strict zero-tolerance policy on exploitation in any form.

The Co-op will continue to work with the rest of the retail co-operatives in the CRS and with FCL to identify any new processes or policies that may be required to increase our level of diligence with our suppliers. These may include supplier surveys, questionnaires, and / or formal attestations confirming that suppliers are taking or have taken all necessary measures to mitigate the risk of child and forced labour within their operations.

As part of our ongoing commitment to progress, the Co-op reviewed the submissions of our top 10 vendors in compliance with the Act. While eight had submitted their annual reports, two had not. These vendors were subsequently requested to attest to our supplier code of conduct to adhere to the spirit of the Act and with the Co-op's imperative.

As we consider additional measures, we will seek inspiration in the comprehensive framework provided by the OECD Due Diligence Guidance for Responsible Business Conduct. We will also actively engage with our suppliers on their preferred approach or frameworks, to ensure a common understanding of the issue and the types of measures available to address it.

3. Identification of Risks

FCL Procured Goods

In assessing the risk of forced labour or child labour in its direct suppliers, FCL has concluded the following using the Walk Free's Global Slavery Index and the US Department of Labour's List of Goods Produced by Child Labour or Forced Labour:

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. To mitigate, FCL already has a sustainable seafood policy in place and sustainably sources fair-trade-certified products.

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.

For more information, please consult FCL’s submission in compliance with the Act. FCL has communicated that it continues to explore opportunities to understand and reduce the risk of forced and child labour in their supply chains and will communicate to all retail co-operatives in the CRS network the outcomes and any changes required to its policies and processes.

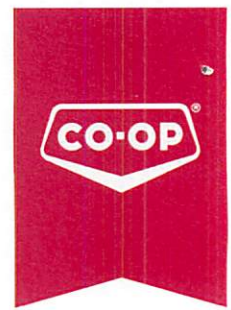
Additional Procured Goods

The Co-op procures approximately 7.6 percent of goods for resale outside of FCL in the four main categories of agriculture, energy, food and beverage, and general merchandise, mainly from suppliers in Canada with a very small fraction coming from US suppliers, as shown in the table below:

Source of Goods	Share of purchases in CAD (FY2024)
FCL	92.4 percent
Canada Direct	7.5 percent
US Direct	0.1 percent

Furthermore, the Co-op sources 98.4 percent of its goods by dollar value from its top ten suppliers, all of whom are based in Canada. The Co-op remains committed to working collaboratively with these suppliers to uphold the spirit of the Act and to strengthen its value chain in the ongoing effort to combat forced and child labour.

The Co-op conducted a risk assessment of suppliers and goods procured outside FCL using the Walk Free’s Global Slavery Index and the US Department of Labour’s List of Goods Produced by Child Labour or Forced Labour and determined that based on location of supplier and type of products imported, the risk of child and forced labour is minimal. While this does not diminish our commitment to diligently consider risks across our entire supply chain, we do not see a need at this time to introduce any specific measures above and beyond those that the CRS or FCL may recommend in the future, and those already implemented by the Co-op since the last report submission.



4. Remediation of Forced and Child Labour

The Co-op has not identified any instances of child or forced labour that have required remediation, so we do not have any specific remediation policies or procedures in place at this time. If any instance of child or forced labour is identified in our supply chain, we will work with suppliers to determine and implement the corresponding remedial actions, in alignment with guidelines provided by the OECD and the UN Guiding Principles on Business and Human Rights. The Co-op actively tracks the hours worked by all young employees to ensure compliance with applicable labour standards. Any instance of potential overwork triggers an immediate notification to the relevant manager or supervisor. This practice aligns with the Co-op's commitment to the United Nations Guiding Principles on Business and Human Rights.

Any identification of child or forced labour will prompt a review of our related policies and practices to unearth any learnings or adjustments required. This will ensure that our preventative measures are robust and that our commitment to human rights is reflected throughout our operations and supply chains.

5. Remediation of Loss of Income

Since the Co-op has not identified any instances of child or forced labour that have required remediation, there has been no need to implement measures to remediate the loss of income to vulnerable families. We do however recognize the importance of being prepared to take immediate and effective action should any issues arise in the future. If any instance of child or forced labour is identified in our supply chains, we will work with suppliers to determine and implement the corresponding actions to remediate any loss of income.

6. Employee Training

All managers have been informed of the applicable policies and been directed to inform their staff to ensure compliance with the Co-op's Employee Code of Conduct covering ethical standards, policies, applicable laws, and regulations. The Employee Code of Conduct is applicable to everyone that conducts business on behalf of the Co-op, which includes its Board of Directors, the Senior Leadership Team, and all current and new employees. Since the implementation of the act, the Co-op has updated the employee code of conduct and hours of work and overtime policies to explicitly reference the Act.

The Co-op has also implemented employee training to support compliance. This includes orientation sessions that address the key requirements of the legislation, along with access to an online training module provided by Federated Co-operatives Limited (FCL) titled "*Empowering Ethical Choices in Sourcing*", designed to promote awareness and ethical



decision-making within the supply chain. All employees that were assigned this training module due to their involvement in our procurement and sourcing processes have completed it as the date of this submission.

Beyond the measures already implemented, the Co-op has identified the Manitoba Employment Standards regarding Young Workers with respect to allowable hours of work, restricted types of work, and Health & Safety restrictions for young workers. In addition, the Co-op is continuously exploring opportunities to provide role-specific education to procurement team members to help them identify and respond to risks of child and forced labour in supply chains. These opportunities will be evaluated throughout our current financial year.

The Co-op also benefitted from insights gained through webinars provided by Federated Co-operatives Limited (FCL) focused on modern slavery, including reporting requirements and determining who is obligated to report under the legislation. All new employees are required to attend orientation sessions covering Human Resources and Health & Safety topics that also serve to raise awareness of these issues.

7. Efficacy of Actions

The Co-op reviews its policies and procedures on a regular basis, at a minimum every 3 years, including those related to child and forced labour, to ensure continued alignment with the Act. Through this review process, the Co-op identified the need for targeted employee training and the development of the supplier code of conduct, both of which were implemented to strengthen due diligence practices. These actions demonstrate the Co-op's commitment to following through on its stated goals and proactively addressing potential risks.

The Co-op continues to collaborate with other retail co-operatives in the CRS and with FCL to identify and implement further enhancements. In alignment with newly implemented practices at FCL, the Co-op is also considering the adoption of performance indicators, such as employee training completion rates, vendor sign-off on the Social Responsibility Agreement, and levels of employee awareness. These indicators will support regular assessment of progress and ensure the Co-op continues to go beyond compliance in upholding ethical standards throughout its supply chain.



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 listed above, and that it has been approved by the governing body of the entity. 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: *David Henry Wiens*

Title: *Chair*

Date: *May 20, 2025*

A handwritten signature in blue ink, appearing to read "David Henry Wiens", is written over a horizontal line.

Signature

I have the authority to bind Clearview Consumers Co-op Ltd.