

Four Rivers Co-operative



Forced Labour in Canadian Supply Chains

Four Rivers Co-operative

DATE May 15, 2025



Table of Contents

Introduction	1
1. Structure, Activities and Supply Chain.....	1
Structure.....	1
Activities	1
Supply Chain.....	2
2. Policies and Due Diligence Processes in Relation to Forced and Child Labour.....	3
3. Identification of Risks	3
4. Remediation of Forced and Child Labour.....	5
5. Remediation of Loss of Income.....	5
6. Employee Training	5
7. Efficacy of Actions.....	5
8. Approval and Attestation of the Report.....	5



Introduction

This report is Four Rivers Co-operative'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 December 31st, 2024. In this Statement, the terms 'the Co-op', 'we', 'us', and 'our' refer to Four Rivers Co-operative. The reporting entity covered by this statement is Four Rivers Co-operative, business number 105486542.

For the purposes of the Act, Four Rivers Co-operative 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. Four Rivers Co-operative is subject to reporting obligations under the Act by producing goods in Canada and importing goods produced outside Canada. Four Rivers Co-operative 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, 2025.

Four Rivers Co-operative 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, Four Rivers Co-operative 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 Responsibility, Integrity, Service and Excellence, Four Rivers Co-operative 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

With our head office based in Vanderhoof, BC, Four Rivers Co-operative is one of over 158 independent retail co-operatives from across Western Canada that make up the Co-operative Retailing System (CRS) and own FCL. Four Rivers Co-operative is in turn owned by over 40,000 members in British Columbia. As part of the CRS, Four Rivers Co-operative helps build, feed and fuel individuals and our local communities. We employ over 290 number of individuals throughout Central British Columbia.

Activities

Four Rivers Co-op business is a retail focused co-operative serving the 16 communities in which we operate throughout Central British Columbia, Our core retail lines of business include food,



agriculture, home and building supplies, fuel, lubricants, propane and convenience stores.

Supply Chain

Wholesale and Retail Trade

Federated Co-operatives Limited (FCL) sources and distributes products across many primary consumer and business lines to Four Rivers Co-op with 33 retail locations in 16 communities in British Columbia including food, agriculture, home and building supplies, fuel, lubricants, propane and convenience stores. Four Rivers Co-op sources approximately 95 percent of the products for resale from FCL and associated preferred supplier agreements. These products are purchased by FCL and preferred suppliers from within Canada or imported and distributed throughout the CRS using FCL's fleet, distribution centres, bulk fuel distribution centres, fuel terminals, fertilizer plants and direct deliveries by FCL preferred suppliers.

The remaining 5 percent of products are sourced by Four Rivers Co-op from suppliers and distributors located within Canada and the United States of America.

Supply Chain

Four Rivers Co-op's supply chain is comprised of products that are manufactured by FCL legally owned entities, products that FCL purchases and distributed by as sourced for resale, products purchase from FCL preferred supplier agreements and products purchased from suppliers outside of the CRS supply chain.

Table 1. Wholesale and Retail Trade: Products Sourced for Resale

CATEGORY	DESCRIPTION
AGRICULTURE	Fertilizer, Crop Protection, Seed, Agricultural Equipment, Feeds, Animal Health, Farm Handling Equipment
ENERGY	Fuel, Lubricants, Propane, DEF, Petroleum Dispensing Equipment and Accessories, Fuel & Oil Tanks
FOOD	Dry Groceries, Tobacco, General Merchandise, Bakery, Deli, Meat, Produce
HOME AND BUILDING SUPPLIES	Hardware, Lumber, Building Materials, tools, paint, seasonal, plumbing, and electrical products
CLOTHING	Safety Clothing, Boots, Western Wear



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

Internal

Four Rivers Co-operative maintains Compliance and Ethics policies to which all employees must adhere, confirmed through an annual Code of Conduct attestation. Four Rivers Co-operative 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. Four Rivers Co-operative's People and Culture team regularly reviews human resource related policies to ensure Four Rivers Co-operative remains in compliance with applicable workplace and labour legislation.

Four Rivers Co-operative ensures that there is reduced risk of forced and child labour in operations through strict adherence to provincial and federal labour laws. As per British Columbia's labour laws, Four Rivers Co-operative follows all applicable young worker restrictions for employees under the age of 16. Four Rivers Co-op strongly believes that all individuals, especially the youth, are entitled to have the freedom to pursue their education. This includes not allowing these youth to be employed during normal school hours and that hours worked will not interfere with their education pursuits and requirements.

3. Identification of Risks

Four Rivers Co-operative's main supplier, FCL, accounts for 95% of total procured goods. In assessing the risk of forced and child labour at the direct supplier level for this relationship, FCL has concluded on the following assessment of the use of forced and child 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 food categories:
 - a. An inherent risk of forced and child labour has been identified within the food categories of 1) protein foods (specifically seafood); 2) beverages (specifically coffee); and 3) other (specifically chocolate). FCL has a sustainable seafood policy, Social Responsibility agreements with private label food suppliers, a Supplier Certification with national brand food suppliers and, sources several 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. In 2024 employees in the FCL home and building supplies team travelled overseas for factory visitations, where they conducted informal auditing and monitoring of 40 selected suppliers. No incidences of forced or child labour were observed.

3. Goods procured for fertilizer:

- a. FCL sources 100 per cent of potash and sulphate products from Canadian producers which would be considered a low risk for forced and child labour. Further, 85 per cent of urea is sourced from Canadian producers, 9 per cent from North American producers outside of Canada, and the remaining 6 per cent from international import sources outside of North America. Urea, like fertilizer in general, is not considered an at-risk good for forced and child labour. Only 6 per cent of urea purchased by FCL is sourced from unknown international producers, reinforcing its classification as a low-risk good for Four Rivers Co-operative.

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

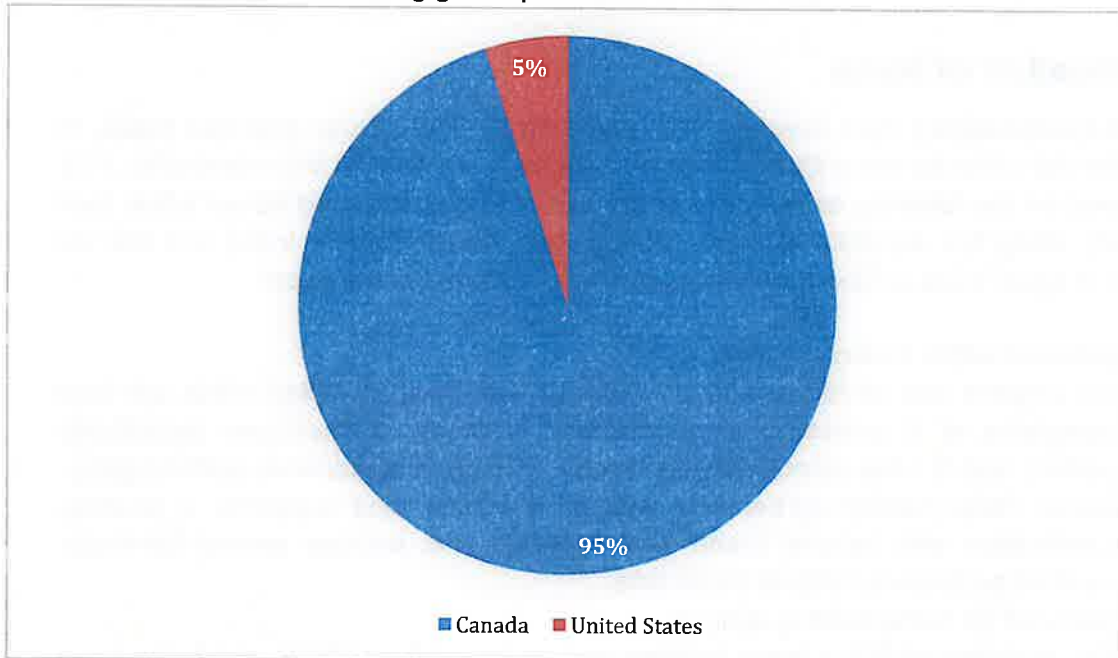


Figure 1. Total spend by country in fiscal year 2024 on <categories with risk assessment was conducted for>.



Four Rivers Co-operative's supply chain mapping activities on were limited to our most material suppliers. Materiality was determined by selecting our top 95% of suppliers by total spend in 2024.

4. Remediation of Forced and Child Labour

Four Rivers Co-operative has taken action to remediate potential risks of forced and child labour through deployment of the policies and procedures outlined in Section 2 of the report. In the future, Four Rivers Co-operative 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, Four Rivers Co-operative will work with suppliers to determine and implement remedial action.

5. Remediation of Loss of Income

Four Rivers Co-operative has not identified any instances of forced and child labour in operations or supply chains; therefore, no measures have been taken to remediate the loss of income to vulnerable families.

6. Employee Training

Annual training and attestation are currently required for all employees to ensure compliance with Four Rivers Co-operative'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 Four Rivers Co-operative Board of Directors, the Senior Leadership Team and all current and new employees.

In addition, Four Rivers Co-operative is exploring opportunities to implement role specific training to educate team members and help them identify and respond to risks of forced and child labour in supply chains. These opportunities will be evaluated through fiscal year 2025.

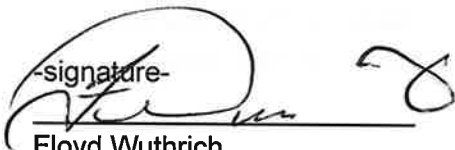
7. Efficacy of Actions

Four Rivers Co-op is conducting a review of current policies and procedures as they pertain to child and forced labour. We will be 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 Supplier Code of Conduct, 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 labor.



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.

-signature-


Floyd Wuthrich
President, Board of Directors
Date

I have the authority to bind Four Rivers Co-operative. The Statement has been reviewed and approved by the Board on behalf of itself.