



# Groenenboom Farms Ltd.

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Forced Labour and Child Labour in Supply Chains Company  
Assessment

# Table of Contents

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Executive Summary .....	2
Introduction .....	2
Structure, Activities & Supply Chain.....	3
Policies & Due Diligence.....	3
Risk Assessment.....	4
<b>Remediation of Forced &amp; Child Labour .....</b>	<b>5</b>
<b>Remediation of Vulnerable Family Income Loss.....</b>	<b>5</b>
Awareness Training .....	5
Assessing Effectiveness .....	5
Steps Taken by Entity.....	5
Attestation.....	6

## Executive Summary

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Forced labour can be found in every country and every sector. The International Labour Organization estimates that there are approximately 27.6 million victims of forced labour worldwide, including 17.3 million in the private economy. Forced labour and child labour risks occur primarily through the global supply chains of businesses. There is a risk that goods imported into and distributed in Canada were produced with forced labour or child labour. Entities and government institutions doing business in Canada have a responsibility to ensure that exploitative practices are addressed and eradicated from their supply chains.

The measures introduced through Bill S-211, an Act to enact the Fighting Against Forced Labour and Child Labour in Supply Chains Act and to amend the Customs Tariff (the Act), aim to increase industry awareness and transparency and drive businesses to improve practices. The Act requires entities to report on the steps taken during its previous financial year to prevent and reduce the risk that forced labour or child labour is used at any step of the production of goods in Canada or elsewhere by the entity or of goods imported into Canada by the entity. There are seven mandatory reporting areas that must be investigated and reported on which include:

- Its structure, activities and supply chains.
- Its policies and due diligence processes in relation to forced labour and child labour.
- The parts of its business and supply chains that carry a risk of forced labour or child labour being used and the steps it has taken to assess and manage that risk.
- Any measures taken to remediate any forced labour or child labour.
- Any measures taken to remediate the loss of income to the most vulnerable families that results from any measure taken to eliminate the use of forced labour or child labour in its activities and supply chains.
- The training provided to employees on forced labour and child labour.
- How the entity assesses its effectiveness in ensuring that forced labour and child labour are not being used in its business and supply chains.

## Introduction

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This report is Groenenboom Farms Ltd. (“Groenenboom”, “Entity”) response to Bill S-211, An Act to enact the Fighting Against Forced Labour and Child Labour in Supply Chains Act and to amend the Customs Tariff (the Act), sections 11(1) and 11(3).

Groenenboom satisfies the definition of an Entity within the Act by having a place of business in Canada, doing business in Canada, having assets in Canada and meeting both the revenue and asset thresholds.

The financial reporting year of Groenenboom covered by this report is December 1, 2023, to November 30, 2024.

## Structure, Activities & Supply Chain

Groenenboom operates as a corporation (Business Number 899026983) located at PO Box 976, Coalhurst, Alberta T0L 0V0. Groenenboom operates within the agriculture industry, feeding cattle until they meet the size specifications for sale. Once size specifications are met, these cattle are distributed to slaughterhouses and meat markets within Canada and the United States.

Groenenboom also operates a feed yard in Canada for raising cattle until size specifications are met for slaughtering and / or being put into meat markets. The Entity also ensures that animal welfare is kept top priority by monitoring feed and water intake, and ensuring veterinary assistance is given when appropriate.

Groenenboom grows, purchases, and sells crops to be used in feeding livestock or to resell in the commodity markets within Canada. These crops include corn, silage, wheat, canola, barley, and straw.

Groenenboom procures cattle directly from brokers within Canada. Cattle purchases account for three quarters of the total procurement spend.

Feed yard procurement includes the provision of feed, veterinary supplies, and care for the animals. The Entity's feed yard needs are met through internal and external Canadian suppliers. Corn feed is procured from a supplier in Canada who sources their product from the United States.

Groenenboom's feed purchases account for roughly one-fifth of the Entity's total procurement spend, excluding purchases related to homegrown feed. Veterinary supplies for cattle are purchased from a local veterinarian.

See Figure 1 for a breakdown of procurement spend across all activities, during the fiscal year.

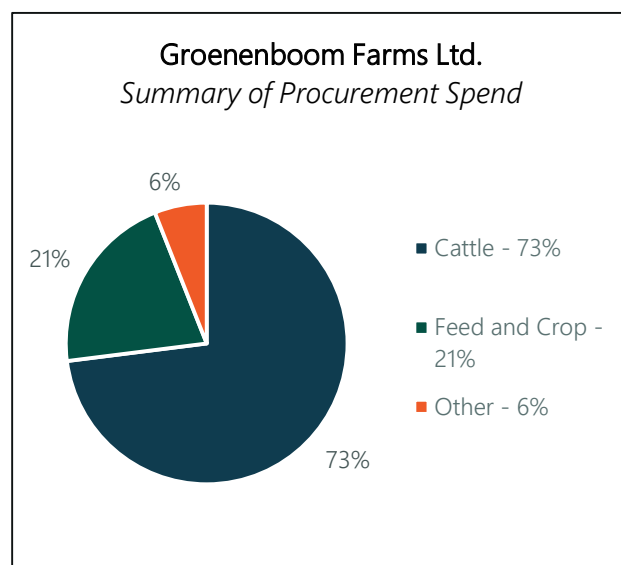


Figure 1: Summary of Procurement Spend

## Policies & Due Diligence

Groenenboom has the following policies and due diligence procedures in place to mitigate the risk of child labour and forced labour within internal activities and their supply chain.

### Due Diligence Processes

#### *Onboarding Process*

The New Employee Hiring Process includes interviewing potential employees for hiring and requires government-issued identification ("ID") to verify identity and birthdate of the applicant and retains this

information in the employee file. When hiring a new employee, the company provides an onboarding process, which includes job-shadowing and training to work with the cattle and feedlot.

Groenenboom has an informal practice to raise concerns to management that includes management oversight, documentation, and investigations. The safety manager will also assess risks on a frequent basis and integrate roles and responsibilities into job descriptions going forward.

Where employees are hired on a temporary or contract basis, Groenenboom requires an employment contract to be signed by the individual. This contract states that Groenenboom's policies and procedures will be adhered to throughout the duration of their employment. The contract also states the individuals' rights and responsibilities including that they must be paid a minimum salary wage and provided with safety equipment where applicable.

#### *Supplier Contracts*

When choosing and selecting suppliers to engage with, Groenenboom considers community reputation, past performance, commodity pricing, and the likelihood of delivery. Groenenboom will approve, monitor, and oversee supplier performance; although, there is no formal policy to guide buyers on how they buy. Groenenboom hosts weekly management meetings to discuss supplier integrity and issues.

## **Risk Assessment**

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A risk assessment over Groenenboom's industry of operation, goods procured, and the countries goods are procured from has been performed over material direct suppliers. The risk assessment used two separate indices to conclude on inherent risk of child and / or forced labour related to goods and countries – *Walk Free's Global Slavery Index* and the *US Department of Labor's List of Goods Procured by Child Labor or Forced Labor*.

### **Industry of Operation**

Groenenboom operates within the agriculture industry. Given the two indices noted above have identified risks of child labour and forced labour inherent to agricultural products, it is concluded that this industry has an inherent risk exposure.

### **Goods Procured**

Groenenboom procures agriculture products. A risk assessment over the goods procured from suppliers has been conducted and identified an initial inherent risk of forced and / or child labour within the following categories: cattle, corn, and wheat. All other remaining goods were not included in either of the indices, therefore, Groenenboom concludes that these remaining goods have a low inherent risk of child labour or forced labour.

### **Countries Which Goods Are Procured From**

For the purposes of a risk assessment over countries goods are procured from, this report focuses on direct suppliers only. Groenenboom procures goods from suppliers within Canada and the United States. Both indices have identified these countries as having a low inherent risk to the use of child and / or forced labour.

## Remediation of Forced & Child Labour

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To reduce the risk of child labour or forced labour within Groenenboom's activities and supply chain, Groenenboom will continue to have conversations and engage with suppliers on the subject. Groenenboom has identified the opportunity to implement and enhance policies and due diligence mechanisms to reduce the risk of child labour and forced labour within their activities and supply chain.

## Remediation of Vulnerable Family Income Loss

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To date, there have been no instances identified by Groenenboom of forced labour or child labour within their activities or supply chains. Therefore, Groenenboom has not identified any loss of income to vulnerable families resulting from measures taken to eliminate the use of forced labour or child labour in their activities or supply chains.

## Awareness Training

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Groenenboom is exploring opportunities to provide training to all employees in identifying, assessing, and responding to risks of child labour and forced labour within the activities and supply chains of the company.

## Assessing Effectiveness

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Groenenboom does not have training in place on the topic of child labour or forced labour. However, when onboarding new employees, part of this process includes job shadowing of experienced employees. This training emphasizes the importance of job safety and familiarizes these individuals with the protocols and procedures to be followed, to ensure adherence to appropriate conduct.

Groenenboom recognizes the opportunity to enhance employee training relevant to this Act, therefore, will be evaluating applicable training for staff in the foreseeable future.

## Steps Taken by Entity

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Groenenboom has taken the following steps to prevent and reduce the risk of child labour or forced labour:

1. **Mapping supply chains:** identifying components of the company's supply chain including who the suppliers are, country of origin, as well as the good supplied.
2. **Conducting an internal assessment of risks of forced labour and/or child labour in the organization's activities and supply chains:** As part of this report, both entities have identified risks within their activities and supply chains that have inherent risks of child labour and/or forced labour.
3. **Monitoring suppliers:** Groenenboom has identified the opportunity to integrate monitoring of



key suppliers, as it relates to assessing and reducing the risk of child labour and forced labour.

## Attestation

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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. 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.

Yvonne Groenenboom

*Yvonne Groenenboom*

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**Full Name**

**Signature**

Co-Owner/Accountant

February 5, 2025

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**Title**

**Date**

I have the authority to bind *Groenenboom Farms Ltd.*