

Hutterian Brethren of Warburg

Forced Labour and Child Labour in Supply Chains Company
Assessment

Table of Contents

Introduction..... 2

Structure, Activities & Supply Chain 2

Policies & Due Diligence Processes 4

Supply Chain Risk Assessment 4

Remediation of Forced & Child Labour 5

Remediation of Vulnerable Family Income Loss..... 5

Awareness Training 5

Assessing Effectiveness 6

Steps Taken to Prevent & Reduce Risk of Child Labour or Forced Labour 6

Attestation..... 7

Introduction

This report is Hutterian Brethren of Warburg's response to Bill S-211, An Act to support 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).

The entities covered by this report include Hutterian Brethren of Warburg (Business number: 119322279 RC 0001), Warburg Colony Farming Co. Ltd. (Business number: 848546453 RC 0001), Warburg Colony Equipment Co. Ltd. (Business number: 848547055 RC 0001), Warburg Planning Co. Ltd (Business number: 832022776 RC 0001), Warburg Meats Ltd. (Business number: 823466438 RC 0001), and 2571071 Alberta Ltd. (Business number: 771294154 RC 0001).

Hutterian Brethren of Warburg controls Warburg Colony Farming Co. Ltd. ("Farming Co."), Warburg Colony Equipment Co. Ltd. ("Equipment Co."), Warburg Colony Planning Co. Ltd. ("Planning Co."), Warburg Colony Meats Ltd. ("Meats Co."), and 2571071 Alberta Ltd. ("Agri Co.") who collectively have a place of business in Canada, do business in Canada, have assets in Canada and meet both the revenue and asset thresholds – therefore, meeting the definition of an Entity according to this Act. As of December 1, 2024, Equipment Co. Ltd. was amalgamated with Farming Co. Ltd.

The financial reporting year of these six entities covered by this report is for the year ending December 31st, 2024.

Structure, Activities & Supply Chain

Hutterian Brethren of Warburg

Hutterian Brethren of Warburg ("the Colony") is a group of 88 family members. This Colony operates on approximately 16,000 acres of land, 14,000 acres of which is farmable, and for the purposes of this report, their operations involve activities within the agricultural industry.

The Hutterian Brethren Church ("the Church") was recognized by an Act of Parliament in Canada in 1951. Members of the Church ("Hutterites") live communally in settlements ("colonies") and practice an agricultural way of life where all property and assets are held communally for the benefit of all Hutterites. Cultural norms for Hutterites include recognition of adulthood at age 15, and the practice of lifelong education.

The culture of the Hutterites, as recognized by their faith and codified by an Act of Parliament, is to live communally and share among members which extends to common ownership of property and distribution of income. Each family is provided a house on the Colony and families are financially provided for by the income generated by the economic activities of the Colony.

Hutterites participate in lifelong education that combines traditional and vocational teaching. This is a key pillar of the Church who support their members from "cradle to grave". Their approach to education is compliant with Canada's child labour standards.

The following outlines the activities related to the production, sale, distribution, or import of goods as they relate to the Act stemming from Hutterian Brethren of Warburg, Warburg Colony Farming Co., Warburg Colony Equipment Co., Warburg Colony Planning Co., Warburg Colony Meats Ltd., and 2571071 Alberta Ltd., (“the Entities”).

Farming Co., Equipment Co., Planning Co., Meats Co., and Agri Co.

Structure

Collectively, the Farming Co., Equipment Co., Agrico., Meats Co., and Planning Co. operate the farming operations of the Colony. The Entities’ operations are located at NW-22-49-3-W5 in Warburg, Alberta.

The individuals working for the Entities are all members of the Colony.

Activities

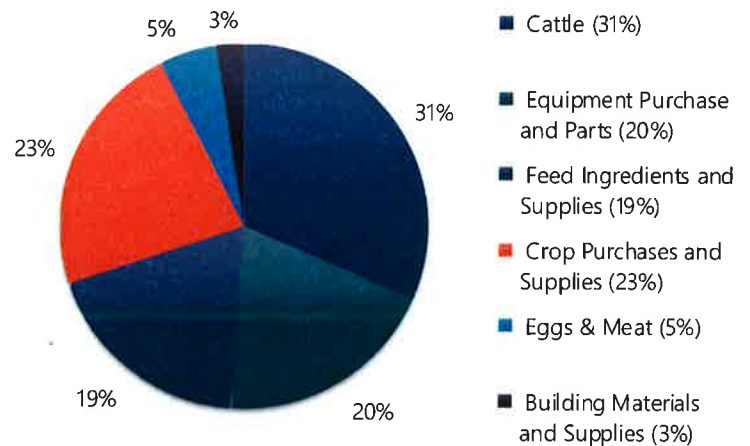
Farming Co. manages the primary farming activities, comprising dry land and crops such as barley, wheat, millet, canola, hay, and silage. Farming Co. owns the entire beef herd. Equipment Co. and Planning Co. possess the equipment utilized in the Colony’s farming operations and lease it directly to Farming Co. Agri Co. supplies labour and management for the farming activities. Meats Co. handles the processing and packaging of animals raised on the farm, as well as procuring additional meat, which are then sold alongside other farm-grown produce and eggs.

Supply Chain

For the purposes of describing and evaluating the Entities’ supply chain, suppliers who account for at least 1% or more of the total procurement spend over the 2024 fiscal year were reviewed.

In 2024, most of the Entities’ procurement spend (31%) was on cattle. Crop-related purchases, such as fertilizer, fuel, and chemicals, represented 23% of spending. Farming equipment made up 20% of total spending, while feed ingredients and supplies accounted for 19%. General farm supplies, including fencing posts, small equipment. Eggs and meat comprised 5% of the total spend and building materials made up 3% respectively. All goods were sourced from Canadian suppliers. See Figure 1 for a breakdown of the Entities’ procurement by category.

Summary of FY24 Procurement Spend by Category



Agri Co.’s annual spend relates to services and therefore has been excluded from the scope of this report. The Entities do not have visibility into their supply chain beyond first-tier suppliers; therefore, the Entities are continuing to evaluate this to fully understand the origination of goods procured.

Policies & Due Diligence Processes

The Entities have informal processes in place relevant to members and employee safety and awareness. While the Entities do not maintain formalized written policies or a structured due diligence framework, they proactively uphold a strong internal culture that prioritizes ethical conduct and community oversight.

Meetings

The Entities host a formal meeting annually on topics including general farm safety and best practices regarding how to operate equipment and manage farm practices safely. Other safety discussions are more informal throughout the year and are specific to the on-farm tasks, which would include an elder Colony Manager supporting and training those who are less experienced. These informal discussion topics are dependent on specific tasks and include the operation and handling of new equipment and livestock. During the fiscal year at least one formal annual safety meeting was held prior to seeding crops. Management meets daily to discuss operations including any emerging risks, and there is a clear “tone at the top” that rejects forced labour and unsafe child labour practices.

Supplier Practices

The Colony relies on long-standing relationships and reputational trust when selecting suppliers, many of whom are unionized, local, or large-scale companies with their own compliance programs. Although there are no formal audits or site visits, operational managers are responsible for supplier oversight and would escalate any concerns to the Colony’s leadership and management. The Entities’ interconnected nature and daily engagement with advisors and peer colonies further support informal but effective risk awareness and response mechanisms.

Supply Chain Risk Assessment

A risk assessment over the Entities’ industries of operations, goods procured, and the countries goods procured from has been performed over material direct suppliers. For the purposes of this report, material suppliers are defined as those who account for at least 1% or more of the total procurement spend during the fiscal year. This risk assessment uses two separate indices to identify the inherent risk of child and/or forced labour related to the Entities’ industries of operation, goods procured, and countries goods are procured from. The two indices are Walk Free’s Global Slavery Index and the US Department of Labor’s List of Goods Produced by Child Labor or Forced Labor. As a service provider, Agri Co. does not procure goods and has been excluded from the scope of this assessment.

Industry of Operation

The Entities operate within the agriculture and retail trade industries. The two indices noted above have identified an inherent risk of exposure to child and forced labour within both industries.

Country Which Goods are Procured From

For the purposes of this assessment, a review of countries which goods are procured from focused on

the location of direct supplier’s operations. All direct material suppliers for the Entities are located in Canada, which has been identified as having a low-risk exposure to forced and/or child labour.

Table 1: Global Slavery Index, 2023.

Tier 1 Supplier Country	Estimated Prevalence of Modern Slavery (per 1,000 people)	Level of Vulnerability to Modern Slavery (%)	Share of Annual Procurement FY2024
Canada	1.8	11	100%

Goods Procured – Farming Co., Equipment Co., Meats Co., and Planning Co.

As described in the previous section, the goods procured within the Entities supply chain are divided into the categories of purchases. A risk assessment over goods within these categories has been conducted and identified an initial inherent risk of forced and/or child labour within the following categories:

1. Cattle: Beef
2. Feed Ingredients & Supplies: Pulses (legumes), wheat, corn, and cereal grains
3. Meat & Eggs: Meat
4. Building Materials & Supplies: Cement

All other remaining goods were not identified within the two indices, therefore concluding a low-inherent risk exists.

Remediation of Forced & Child Labour

To mitigate the risk of child labour and forced labour within supply chains, the Entities have identified the opportunity to develop and enhance existing due diligence mechanisms in relation to this Act.

The Entities understand the value of discussing these risks with vendors. These conversations will bring awareness to this issue in an effort to remediate the risk within their supply chains.

Remediation of Vulnerable Family Income Loss

The Entities are in the process of understanding and evaluating their supply chains related to the risk of child labour and forced labour. To date, the Entities have not identified instances of the use of child labour or forced labour within their operations or those of suppliers. The Entities will continue to review procurement practices to enhance the rigor of due diligence processes including raising awareness with suppliers.

Awareness Training

There is currently no training in place within the Entities on the topic of child labour or forced labour. However, the Entities recognize the opportunity to enhance training relevant to this Act.

Other relevant training is provided to members on general safety topics. During the previous fiscal year,

the Entities provided formalized safety training prior to crop seeding in the beginning of the year.

Assessing Effectiveness

To track the effectiveness of procedures to mitigate the risk of child labour and forced labour, the Entities will continue to have discussions with members, employees, and suppliers regarding issues related to this Act that may impact operations or supply chains.

Steps Taken to Prevent & Reduce Risk of Child Labour or Forced Labour

The Entities have taken the following steps to prevent and reduce the risk of child labour or forced labour within their activities and supply chain:

1. Mapping activities: As part of this report, the Entities have mapped their activities to complete an initial risk assessment to align with the Act.
2. Mapping supply chains: As part of this report, the Entities have mapped their supply chains to complete an initial risk assessment to align with the Act.
3. 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, the Entities have identified risks within their activities and supply chains that have inherent risks of child labour and/or forced labour.
4. Developing and implementing due diligence policies and processes for identifying, addressing and prohibiting the use of forced labour and/or child labour in the organization's activities and supply chains: The Entities have identified that there are limited policies and processes in place and have identified the opportunity to enhance this going forward.
5. Developing and implementing training and awareness materials on forced labour and/or child labour: The Entities have identified the opportunity to implement training content related to this Act for members.

Attestation

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 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.

<u>Joe M. Wipf</u>	<u>Joe M. Wipf</u>
Full Name	Signature
<u>Manager</u>	<u>May 30 2025</u>
Title	Date

I have the authority to bind Hutterian Brethren of Warburg and all Hutterian Brethren of Warburg - owned legal entities including Warburg Colony Farming Co. Ltd., Warburg Colony Equipment Co. Ltd. and Warburg Planning Co. Ltd., Warburg Colony Meats Ltd., and 2571071 Alberta Ltd.