



Feeding Success

Wallenstein Feed & Supply Ltd.

Report - Forced Labour Supply Chains

May 7, 2025



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Executive Summary

Since last year's report, Wallenstein has launched an initiative to train 21 members of the company on Canada's Law to Fight Child and Forced Labour. Wallenstein continues to prioritize sourcing from local vendors and maintaining long-term relationships to minimize the risk of forced and child labour in its supply chain. The company keeps its commitment to enhancing employee awareness on modern slavery and supporting fair and responsible industry growth.

Introduction

This report is the response of Wallenstein Feed & Supply Ltd. ("Wallenstein") 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).

Wallenstein 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 the revenue, asset, and employee count thresholds.

The financial reporting year of Wallenstein covered by this report is December 1, 2023, to November 30, 2024, and there are no other reporting requirements under other jurisdictions.

This year's report follows a similar structure to last year's report. It includes updated information where updates are available.

Structure, Activities, and Supply Chain

Structure

Wallenstein Feed & Supply Ltd. is a corporation located in Wallenstein, Ontario. Founded in 1958, the family business has grown to operate three modern mills and acquired Great Lakes Nutrition, a premix plant located in Monkton, back in 2009.

298 employees are located at the headquarters in Wallenstein, and 12 employees operate out of Monkton, Ontario.

Activities

Wallenstein operates within the agricultural manufacturer industry, producing poultry, bovine and swine feed and ruminant for the Ontario livestock industry. They operate a fleet of trucks to transport their feed products across Ontario every day. They are also partnered with local dealers who sell their products to end customers.



Supply Chain

Almost all the company's procurement comes from Ontario, with some sourced from other parts of Canada and the USA, as well as from a few vendors in Belgium and the Netherlands. Common categories include feed ingredients (mostly cereal, grain, soybean, additives, and medication), diesel fuel, trailers/trucks, natural gas, and chemicals. Excluded are all services procured as well as goods that represent less than 0.1% of total goods spent.

Policies & Due Diligence Processes

There have been no significant changes to our organizational policies related to the Act between the previous reporting period and the current one.

Internal Policies

Wallenstein does not have any specific policies on child or forced labour, however the company conducts all interviews in person and verifies the applicant's date of birth and SIN number as part of the hiring process. The Human Resources (HR) department ensures all employees and contractors receive the relevant safety orientation, including safety standards, emergency response, and learning modules. If Wallenstein were to hire any foreign workers, the Human Resources (HR) Manager would review their work permit status.

Wallenstein is dedicated to fostering an inclusive, safe, and respectful work environment for all employees. This commitment is evident in the company's key policies, as detailed in the Accessible Employment Standard, AODA Customer Service, Violence and Harassment Policy, and Employee Expectations, Conduct & Behaviour policy. These documents emphasize Wallenstein's dedication to employment equity, safety, and the prevention of harassment and discrimination in the workplace.

Employee Expectations, Conduct & Behaviour

The purpose of this policy is to set a standard expectation of acceptable and unacceptable behaviour throughout the company and assert the company's commitment to maintaining a professional work environment of the highest quality and integrity. All Wallenstein employees (including managers) are expected to demonstrate courtesy and respect for coworkers and suppliers and maintain open and effective communication with each other when there is a problem to investigate. Unacceptable behaviour includes harassment and discrimination. Unacceptable conduct could result in disciplinary action up to termination.

Workplace Violence and Harassment Policy and Program

The Workplace Violence & Harassment Policy outlines Wallenstein's commitment to promoting and providing a safe and respectful workplace. The policy applies to all employees and all persons conducting business or visiting the premises, thereby committing to protect the workplace from violent, disrespectful



or vexatious behaviours.

The Workplace Violence and Harassment Program details Wallenstein's prevention mechanisms and process for addressing claims if they occur. The program defines workplace violence and types of harassment as well as warning signs to help employees identify them. Responsibilities are outlined below:

Employers oversee the policy implementation and review every three years, take proactive measures against workplace violence (post physical copies of the policy in the workplace, perform a Workplace Violence Assessment and develop controls), provide training, and ensure that all complaints are investigated, and appropriate disciplinary action is taken. Wallenstein employs 2 certified investigators in the HR department.

Managers are to support the execution of this process with the employers, respond to employee concerns, and take necessary precautions. Additionally, managers present the Workplace Violence Assessment to the Workplace Safety Committee (WSC) and ensure that suspicious situations are investigated and reported.

Employees take a proactive role in the development and maintenance of a safe and respectful workplace. They are encouraged to voice concerns of any incidents and can speak with their supervisor/manager/HR to file a complaint. They are also to cooperate in any resulting investigations, participate in relevant training, and sign off on this program to demonstrate understanding.

HR receives all notices of formal complaints, and contacts each of the parties involved to document the occurrences. The WSC participates in the review of policy and preventative measures and leads relevant training every three years.

Wallenstein recognizes that employees who experience these incidents may require additional support. In addition to internal human resources, the company has an EAP program that covers external counselling sessions.

Accessible Employment Standard and ACA – Customer Service

Wallenstein aims to provide equal access with regards to employment and customer service for people with disabilities by removing the barriers to accessibility. The company complies with the Accessible Canada Act. Its policy encompasses all communication forms, billing, assistive devices, support persons/service animals, recruitment, individual accommodation plans, performance management, and best practices/training on the Act for staff. The HR department collects all feedback and addresses any questions or concerns.

Due Diligence Processes

Wallenstein does not have specific supplier due diligence policies addressing child or forced labour, however, by primarily sourcing from longstanding local suppliers, the company reduces the risk of forced and child labour in its supply chain. Additionally, Wallenstein engages in occasional supplier site visits. The company's management raised a concern that in the region, young people raised on family farms



would traditionally participate in the farming activities. So long as they are following the Canadian Agricultural Safety Association (CASA) guidelines, depending on the activity's complexity and level of supervision, children are allowed to participate in those activities.

The company has in place several supplier policies to assure health/quality standards. The most relevant are the New Ingredient Procedure and the Approved Supplier Procedure. The Approved Supplier Program Instructions policy dictates that for ingredients that are more susceptible to health/quality issues, suppliers are required to fill out extra forms and meet additional requirements, such as 3rd party audits to demonstrate they have followed adequate preventative measures. These policies show that Wallenstein has various checks in place to minimize supply chain risks.

New Ingredient Procedure

The objective of this procedure is to ensure that each new ingredient used in manufacturing is registered as an approved ingredient as per Feed Regulations, HACCP, and feed safety requirements. First, the supplier needs to complete several forms, and internally, Wallenstein verifies that the supplier is on the Approved Supplier List and that the product is registered. A new memo is then shared among staff, relevant files are saved, and the product is monitored on an ongoing basis. A QA coordinator is responsible for addressing deviations from product requirements and the corresponding corrective actions.

Approved Supplier Procedure

The purpose of this document is to ensure that all procurement comes from suppliers providing ingredients or materials that strictly adhere to HACCP requirements. To maintain an approved supplier designation, quality and packaging requirements must be met, in-house and external lab testing performed, and any product or certification changes communicated. Depending on the frequency and severity of supplier errors, the QA coordinator may remove the supplier's approved designation. They may only be reinstated if all non-compliance is corrected – a supplier audit may also be performed if necessary.

Supply Chain Assessment

Countries of Operation and Risk

Using the *Walk Free Global Slavery Index* and the *U.S. Department of Labor List of Goods Produced by Child Labor or Forced Labor*, a risk assessment was performed on Wallenstein's countries of operation. These indexes use in-depth research on forced and child labour and indicate the risks associated with each country. There are low inherent risks of forced labour or child labour in Canada.

Country	Active Employees	Inherent Country Risk
Canada	301	Low

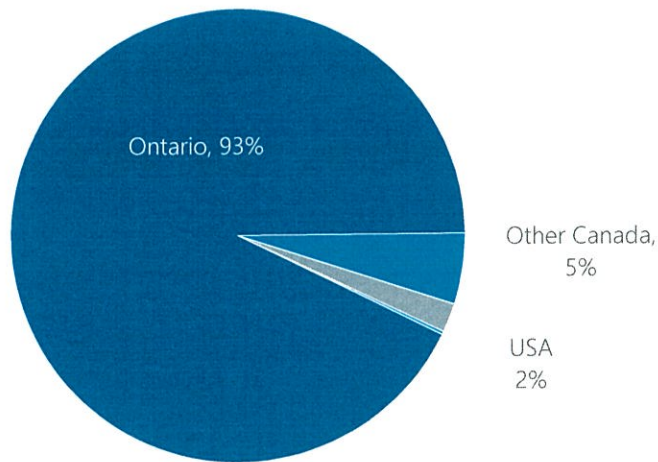


Countries of Suppliers and Risk

Using the *Walk Free Global Slavery Index*, a risk assessment was conducted on the countries where Wallenstein’s suppliers are located. This index uses in-depth research on modern slavery to assess the risks associated with each country. Low inherent risks of forced labour or child labour were found in Canada, the USA, Belgium, and the Netherlands.

Country	Suppliers	Inherent Country Risk
Canada	949	Low
USA	20	Low
Belgium	1	Low
Netherlands	1	Low

Suppliers by Location



Type of Goods Procured and Risk

Using the *U.S. Department of Labor List of Goods Produced by Child Labor or Forced Labor*, a risk assessment was conducted on the types of goods Wallenstein sources from suppliers that contribute to procurement spending. This index uses in-depth research on forced and child labour to indicate the risks associated with each type of good. The risk analysis found high inherent risks in cereal grains from El Salvador and wheat from Pakistan. **This does not mean that evidence of forced or child labour was found to support this risk analysis**, but that there is an inherent risk in the global supply chains for these goods that necessitates closer scrutiny to ensure that forced and child labour in the supply



chains of these goods.

Goods	Inherent Good Risk	Country	Goods % of Annual Procurement
Bagged/Bulk feed ingredients*	Low**	Canada, USA	89%
Trailers/Trucks	Low	Canada	9%
Natural gas	Low	Canada	1%
Chemicals	Low	Canada	1%
Diesel fuel	Low	Canada	<1%

*89% of procurement spend is on bagged/bulk feed ingredients. There are many more components to the various livestock feed products, however these two most material ingredients with potential global supply chain risks.

**Goods risk is designated low because cereal and wheat ingredients in the bagged/bulk feed is procured in Canada and the USA.

Remediation of Forced & Child Labour & Vulnerable Family Income Loss

To date, Wallenstein has not identified instances of the use of child labour or forced labour within our operations or those of our suppliers. Wallenstein is continuing to review its procurement practices to enhance the rigor of its due diligence processes, including raising awareness with its suppliers. At Wallenstein, we commit to remediate human rights incidents and violations that occur within our operations and supply chain. To date, including the year 2024, Wallenstein received zero (0) complaints about Human Rights contraventions internally and externally. We will continue to monitor processes to ensure we do not conduct business with entities that violate human rights or labour rights, and we will immediately cease partnership with a business if evidence of forced labour or child labour is found.

Awareness Training

Wallenstein launched an initiative to train 21 members of the company on Canada’s Law to Fight Child & Forced Labour. Employees identified to complete the training are from multiple departments within the organization. All 21 members had completed the training and answered questions associated with the course content. Participants who complete the e-learning session can:



- Define modern slavery
- Explain child labour and forced labour
- Understand key reporting requirements in Canada under Canada's law *Fighting Against Forced Labour & Child Labour in Supply Chains*
- Identify goods and countries at risk of forced or child labour in their supply chains
- Recognize ways to identify risks of forced or child labour
- Implement mechanisms, such as due diligence strategies, to combat forced and child labour
- Recognize the warning signs of child or forced labour

Training was offered to management, human resources and operations since they are the people who are responsible for labour-related aspects of the business, such as company policies, employee well-being, and the supply chain. The training is made mandatory for those selected to complete it.

The course is delivered online in an interactive format where participants validate their learning by answering questions and reviewing case studies. It takes approximately 60 minutes to complete.

Wallenstein acknowledges the importance of improving employee training relating to modern slavery. As part of the company's commitment to ethical practices, Wallenstein will assess any additional, relevant training programs for our staff in the foreseeable future.

Assessing Effectiveness

To track Wallenstein's effectiveness in mitigating the risk of child labour and forced labour, the following mechanisms are in place:

Internal Activities

1. **Employee Training:** Training related to the Act has been completed by key individuals responsible for labour-related aspects of the business.
2. **Total Violence/Harassment Incidents:** Wallenstein continues to have zero tolerance for workplace violence or harassment. All claims made regarding harassment will be reported to the supervisor, manager, or HR, and an investigation will be completed by the HR department.
3. **Annual Workplace Safety Audit:** Wallenstein's Workplace Safety Committee analyzes the number and type of workplace violations and assesses the company's effectiveness in addressing those incidents in a timely manner.

Supplier Activities

1. **Supplier Relationships:** Wallenstein has developed strong relationships with many of its core suppliers, because of doing business together over many years, being located relatively close, and having frequent touchpoints compared to other businesses/industries. Wallenstein will continue to cultivate supplier relationships to ensure that communication channels remain open, and trust is maintained.



Next Steps

For the second year, Wallenstein continues to take several measures to de-risk its supply chain. These include:

Commitment to Risk-free Sourcing: Wallenstein prioritizes sourcing from local vendors and maintaining long-term relationships, thereby minimizing the risk of forced and child labour in its supply chain.

Employee Well-being: The company's policies, such as the Accessible Canada Act, Violence and Harassment Policy, and Employee Expectations, Conduct & Behaviour policy represent a commitment to creating a safe, inclusive, and respectful work environment for all employees.

Remediation Measures: Wallenstein engages in annual workplace safety audits and assesses the company's effectiveness in resolving incidents.

Risk Management: By performing a comprehensive risk assessment of the countries in which Wallenstein operates, its suppliers, and the types of goods it procures, Wallenstein can identify and address potential risks related to forced labour and child labour.

Although the company has made progress in understanding the risk of forced labour in supply chains through training, Wallenstein recognizes the need for ongoing improvement.

Wallenstein remains committed to prioritizing supply chain quality and ensuring employee well-being. As the company continues to evolve, it remains steadfast in its dedication to continuous improvement and the protection of the integrity of our industry.



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 Wallenstein. 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:

Stephanie Rempel

Date:

May 7, 2025

Title:

General Manager

Signature:

Steph Rempel

I have the authority to bind 'Wallenstein Feed & Supply Ltd.'

