



**FORCED LABOUR AND
CHILD LABOUR REPORT
2025**



United Farmers of Alberta Co-operative Limited

Contents

- 1.0 Introduction 3
- 2.0 Organization at a Glance 3
- 3.0 Policies & Due Diligence Process..... 5
- 4.0 Our Supply Chain 7
- 5.0 Forced Labour & Child Labour Supply Chain Risk..... 7
- 6.0 Remediation Measures and Income Loss..... 8
- 7.0 Training 8
- 8.0 Assessing Effectiveness 8
- 9.0 Action Plan 9
- 10.0 Statement Approval..... 10



1.0 Introduction

This statement is made in accordance with Section 11 of Canada's *Fighting Against Forced Labour and Child Labour in Supply Chains Act*. The statement provides information on the United Farmers of Alberta Co-operative Limited (UFA). The Information contained in this report covers the 2025 financial year (January 1 to December 31). It outlines the relevant processes and policies, as well as the steps taken to help identify, prevent and mitigate forced labour and child labour in our supply chain.

2.0 Organization at a Glance

UFA is a centralized agricultural co-operative operating in Western Canada with approximately 120,000 members and 1,200 employees. It is a progressive and diversified business that provides products, services, and solutions to members and customers in rural communities to run their operations. There are two core focuses within operations: Agribusiness and Petroleum.

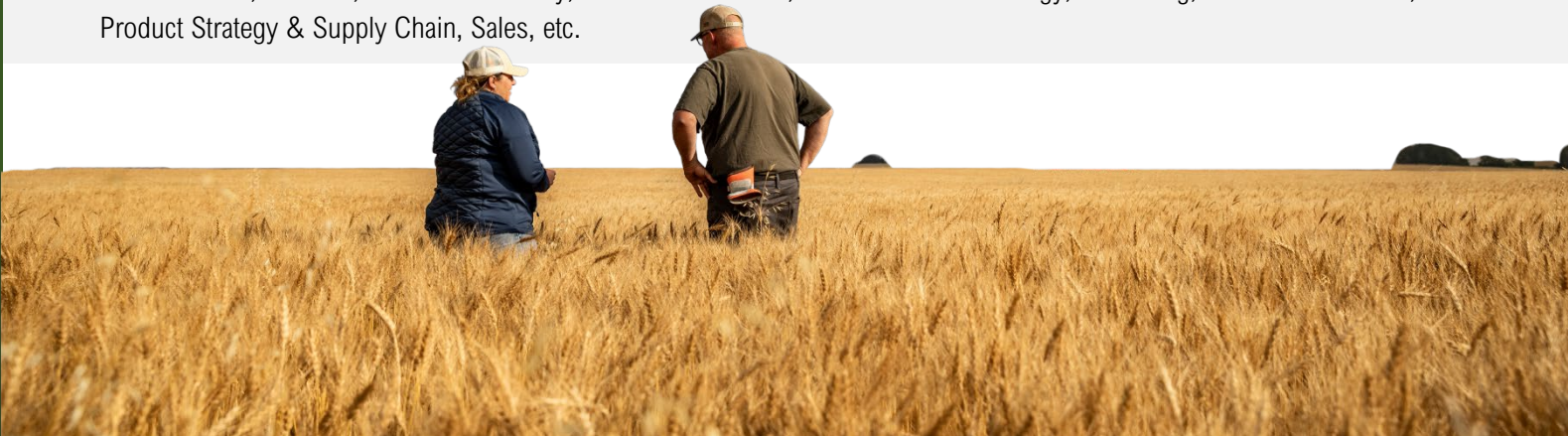


Agribusiness focuses on four key segments: Retail, Crop Inputs, Structures, and Livestock Product Solutions. Retail sells a variety of farm supplies and includes 34 farm and ranch supply stores, an eCommerce website, and six (6) fertilizer blending facilities. Crop Inputs advises on and sells agricultural crop seeds, crop protection products, and fertilizer. Structures sell finished “turn-key” building solutions. Livestock Production Solutions sell animal beef nutrition products and systems that are installed and serviced by a team of technicians.



UFA's Petroleum business distributes fuel products and provides business solutions through a network of 121 cardlock and bulk fuel sites. Approximately 81% of the sites are operated by independent petroleum agents.

UFA's support services are centralized and provide advice and service to operations. Centralized services include, but are not limited to, Finance, Health and Safety, Human Resources, Information Technology, Marketing, Member Relations, Product Strategy & Supply Chain, Sales, etc.



2.1 Subsidiary

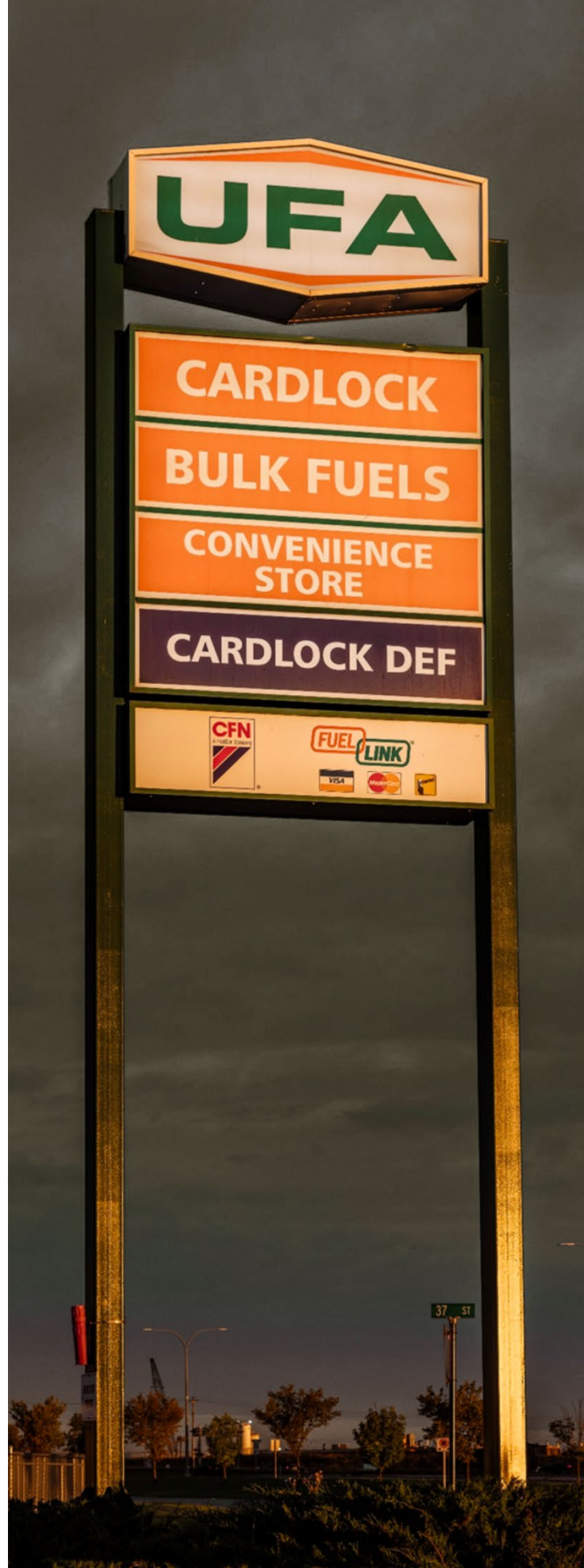
Bar W Petroleum & Electric Inc. (Bar W) is a wholly owned subsidiary of UFA. It is a diverse contracting and service company with 100 employees supporting the industrial and commercial electrical industry and the downstream petroleum industry. Bar W offers clients in the downstream petroleum sector a complete fuel management solution with the equipment required to build, manage, service, control, store, and report on fuel delivery operations. Bar W operates in Western Canada.

*Bar-W does not meet the definition of an entity under the Fighting Against Forced Labour and Child Labour in Supply Chains Act, as such UFA does not file a joint report.

2.2 Our Operations



2.3 Our Team



3.0 Policies & Due Diligence Process

UFA is committed to assessing the risks of forced labour and child labour and taking steps to address as well as mitigate the associated risks in its operations and supply chain. We understand this requires education, and analysis as well as the assessment and engagement of stakeholders to prevent, identify, address and mitigate the risks through processes and due diligence.

Prevention starts with UFA's co-operative culture.

<i>UFA Culture Statements</i>	<p>The values of UFA are embedded in our five culture statements. They describe our expectations of each other, outline what we stand for and detail how we work. UFA's culture statements are:</p> <p>Health and Safety is more than a metric, it's our value.</p> <p>Being a co-operative is our competitive advantage.</p> <p>Performance matters and so do you.</p> <p>Responsible to make decisions and accountable for results.</p> <p>We help each other grow.</p>
<i>Diversity, Inclusion and Belonging</i>	<p>At UFA we care about the lives of our employees, members, elected officials, and partners. We strive to create an inclusive environment that welcomes employees from diverse populations and backgrounds, where everyone can do their best work.</p>
<i>Employee Engagement</i>	<p>UFA actively seeks to engage employees and provides multiple channels to provide feedback. Employees are encouraged to bring feedback to their manager, and if uncomfortable to engage their manager's manager or Human Resources. UFA promotes an open-door work environment, hosts regular town halls and team meetings/huddles. Feedback is also obtained via UFA's Employee Engagement Survey. UFA also provides formal mechanisms for anonymous inquiries, questions, or feedback.</p>

Identification and mitigation are achieved through processes, practices, and due diligence.

<i>Integrity Hotline</i>	<p>The Integrity Hotline is a confidential reporting mechanism for numerous UFA stakeholders, including but not limited to employees, members, and/or customers, to report any concerns they may have regarding business ethics at UFA. Ethical issues may include harassment or gross misconduct, bribery, conflict of interest, misuse of resources, forced labour, child labour, theft of property or fraud.</p>
<i>Code of Business Ethics</i>	<p>UFA's Code of Business Ethics (COBE) applies to employees, executive officers, and elected officials. The objective of the COBE is to promote conduct that is honest, ethical and fair, foster compliance with laws, rules, policies, and regulations and discourage wrongdoing or improper conduct. The policy includes Forced Labour and Child Labour, as does the annual COBE training and certification.</p> <p>UFA has a COBE Council that oversees all aspects of the Code of Business Ethics, including content and communication, management of the Integrity Hotline and related follow-up procedures, as well as the annual COBE training, renewal process, and sign-off. All complaints reported are taken seriously, tracked, investigated, and overseen by the COBE Council. It is also important to note that UFA does not tolerate retaliation.</p>
<i>Workforce Anti-Harassment</i>	<p>UFA is committed to providing a positive work environment where all employees are treated with dignity and respect. This belief is supported and enforced through UFA's culture and values, and it is enforced through UFA's Workforce Anti-Harassment Policy. Training is also provided to both employees and managers on the topic through UFA's learning management system.</p> <p>UFA believes it is everyone's responsibility to foster and promote a positive workplace; one where we support each other and work together to prevent and eliminate harassment. As such, UFA will not tolerate harassment and is committed to eliminating any harassment in the workplace. Training is also provided to employees and managers.</p>

Health and Safety Policies & Management Systems

A top strategic priority for UFA is the health, safety, and well-being of our workforce. It is integrated and reinforced into our culture through the SafeStart program. Our Environmental, Health & Safety (EH&S) Management System includes policies and procedures, training, health and safety committee standards and processes, positional and job hazard assessments, hazard controls, emergency response plans, incident investigations, administration, and audits.

Recruitment

UFA has formalized recruitment policies and processes that engage multiple stakeholders. The process includes obtaining approvals for hiring, an application process, formal employment offers, and contracts that meet or exceed the relevant regulations and laws. Employment offers are presented, entered and exited upon freely, or are as outlined by mutually agreeable terms and conditions. Training is provided to managers to guide them through the hiring process, educate and set expectations.

Occasionally, recruitment firms are engaged to assist with hiring. Firms are either local or multi-national companies. The work engagement is then supported by service agreements and/or contracts that meet applicable laws and regulations.

Compensation & Total Rewards

UFA has a structured compensation and total rewards strategy. The strategy is supported by policies, procedures, and standardized programs that are actively managed and administered to promote alignment. Training is also provided to managers to educate and set expectations around their application. Audits and reviews are conducted periodically to assess market competitiveness, equity, and compliance with labour standards. This includes reviews of the age of workers, hours worked, wages, and type of work performed.

Category Management

Regularly scheduled category assortment reviews are conducted on a one to three-year cycle, with most priority products being reviewed annually. The review enables products as well as the vendor to be evaluated in more detail. The product reviews include an assessment of sales, margin, quality, and brand alignment. A high-level review and assessment of the vendor is also conducted simultaneously. This review considers the working relationship and overall service provided by the vendor. Products and/or vendors may be updated, added, or removed from the supply chain during a category assortment review. Reviews may also be conducted out of cycle or on an as-needed basis, should it be required.



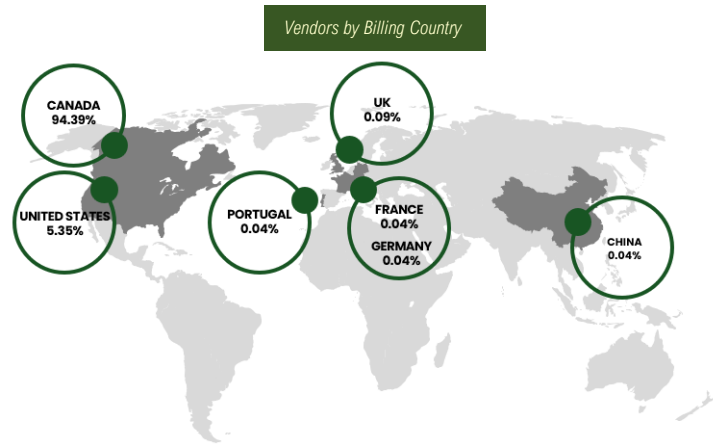
4.0 Our Supply Chain

UFA is primarily a reseller of goods and services. We source first-party products and resell the products in UFA's operating network. UFA also sells first-party products online. The online e-commerce offering also includes the sale of third-party products.

UFA's diverse supply chain is comprised of both domestic, international, and multinational suppliers. In 2025, UFA sourced products and services from over 2,200 suppliers, with the top 25 suppliers accounting for 80% of UFA's total purchases.

Within this expenditure, the most common categories are: *Animal Health, Construction Materials, Crop Handling & Storage, Crop Nutrition, Crop Protection, Driving Liquids, Fuel, Lubricants, Seed and Transportation.*

Products are also procured for internal use in operations. This includes but is not limited to IT equipment and software, fleet vehicles, company uniforms, promotional clothing, personal & protective equipment, office supplies and marketing material.



5.0 Forced Labour & Child Labour Supply Chain Risk

To assess the risks associated with forced labour and child labour, UFA began assessing its operations and supply chain. UFA acknowledges that it operates in the agricultural industry, which is recognized as a high-risk industry globally. UFA also acknowledges that it operates in Canada which is categorized as a lower-risk country according to the [Global Slavery Index](#).

UFA's supply chain procures substantially all of its first-party products from organizations that have locations in Canada. They are either local suppliers or multinational or international companies. The [Global Slavery Index](#) rates the North Americas as having the lowest prevalence of Modern Slavery of the five regions assessed. Despite the lower ranking, UFA recognizes that forced labour and child labour risks can appear regardless of industry, country, or position along the supply chain. While substantially all of UFA's products are sourced from organizations with locations in Canada, UFA recognizes that its suppliers' source products and raw materials from origins outside Canada. This reality, along with the volume of suppliers (2,200+) that UFA does business with could represent an area of risk within our supply chain. However, a mitigating factor of this underlying origin-based risk is that the Canadian organizations that we source our products from are also generally subject to Forced Labour and Child Labour legislation.

Over the last two years UFA undertook a deeper review of its top 50 suppliers supporting processes, policies, and training to identify, prevent and mitigate Forced Labour and Child Labour in the supply chain. The assessment aids in assessing risk and may identify opportunities for supplier engagement. Overall, the review confirmed that the majority of UFA's top 50 suppliers are reporting and that they have a lower risk profile.

UFA leverages a network-wide agency model to offer and deliver petroleum. UFA works to mitigate risk in this operating model through an application process to identify and select agent business owners. UFA also enters the formal business relationship

by using standardized legal contracts that are entered and exited voluntarily to have a mutually beneficial long-term relationship. UFA employs key roles to manage and oversee the business relationship and the agent's achievement of operational standards.

UFA mitigates risks in direct operations by overseeing the recruitment process and applying standardized practices in posting, interviewing, and offering employment aligned with structured compensation programs and employment standards. Once employed, training is standardized by role. Safety has also been integrated as a foundational cornerstone of UFA's culture.

6.0 Remediation Measures and Income Loss

UFA *did not have any* substantiated claims of forced labour and child labour in its supply chain. As such, no measures have been taken to remediate forced labour or child labour.

7.0 Training

UFA requires select employees to complete training on Force Labour and Child Labour. The internally developed e-course, created in 2025, is available to all employees in the learning management system course catalogue and can be taken voluntarily. UFA's also incorporates awareness training on Forced Labour Child Labour into its annual Code of Business Ethics training which is conducted annually by all UFA employees.

UFA provides employees with training on several policies and practices that support the identification, reporting, and mitigation of forced labour and child labour in UFA's supply chain. This includes training on UFA's COBE, hiring processes, compensation and total reward programs, and safety initiatives.

8.0 Assessing Effectiveness

UFA routinely analyzes and assesses its business practices and policies. This includes mapping out internal business processes, providing training and education to managers and employees, and conducting internal audits to identify opportunities for improvement and risk mitigation.



9.0 Action Plan

Continuous improvement is essential to prevent and reduce forced labour and child labour in our supply chain.

For 2025 the following improvements were completed:

- Internally developed an e-course on Forced Labour and Child Labour to increase awareness and highlight escalation pathways.
- Provided online training to key personnel on forced labour and child labour.
- Conducted a preliminary risk assessment of our top 50 suppliers, which represented approximately 87% of UFAs Supply Chain in the 2025 calendar year.
- Key personnel were surveyed on Forced Labour Child Labour and asked to report any red flags, issues or concerns that they may have encountered.
- Continued the roll out of UFA's Vendor Buying Agreement (VBA). This contract addresses forced labour and child labour and is now being introduced progressively to identified retail vendors.
- Improvements were made to UFA's product data to better identify the manufacturing origin of products.

For 2026, UFA will continue:

- Training key personnel on Forced Labour and Child Labour.
- The review and assessment of UFA's suppliers and following up if it is deemed appropriate.
- The introduction of the VBA to identified retail vendors.



10.0 Statement Approval

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.

Signature,

On behalf of the Board of Directors of United Farmers of Alberta Co-operative Limited

Jennifer Wood

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Jennifer Wood
Board Chair

April, 21, 2026

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Date

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