

Fighting Against Forced Labour and Child Labour in Supply Chains Act

Annual Report – May 2025

Semences Prograin Inc. (Prograin), a business corporation constituted by virtue of the Québec *Business Corporations Act*, operates a seed conditioning and food-grade soybean processing centre. Prograin develops its own soybean seeds, which are sold principally to Canadian producers. It buys back the producers' harvests, processes them and sells the food-grade soybeans on international markets.

This report covers the activities of the last financial year, from September 1, 2023 to August 31, 2024.

Prograin employs approximately ninety (90) employees across Canada. 97% of its supply chain is made up of Canadian and American grain producers and suppliers. 98% of these are Canadian. Its goods and services purchases consist mostly of grain, packaging products, conditioning products, and shipping.

Steps taken during the past financial year to prevent and reduce the risk of forced labour or child labour being used:

Prograin maintains internal controls and policies to ensure that employees are recruited voluntarily. Furthermore, Prograin abides by the CNESST legislation regarding youth labour as it pertains to its employees in Québec, as well as the Canada Labour Code.

The parts of its business activities and supply chains that carry a risk of forced labour or child labour:

The suppliers and producers being mostly Canadian, the risks of forced labour or child labour being used are quite low. However, Prograin has not obtained confirmation to that effect and has not yet initiated a detailed analysis of the risks.

Measures taken to remediate the loss of income to the most vulnerable families caused by any measure seeking to eliminate the use of forced labour or child labour:

No measure was taken to remediate the loss of income to vulnerable families, since Prograin did not introduce any measure to eliminate the use of forced labour or child labour, other than following the current legislation.

The training on forced labour and child labour provided to employees:

No training was given.

Un monde de soya

Effectiveness in ensuring that forced labour and child labour are not being used in its activities and supply chains:

Prograin has not identified or analyzed the use of forced labour or child labour in its supply chains. In the coming year, Prograin will perform a review of its supply chain and assess the opportunity of introducing such measures where applicable.

Prograin had previously conducted an employee satisfaction survey. The confidential and anonymous survey has been helpful in evaluating best practices and accountabilities in matters of employment and leadership, with sections for feedback on company practices regarding remuneration and benefits, ethics, security, and occupational safety and wellness. A follow-up to the survey was done and the company is working with its employees to identify and improve the practices that raised questions and to establish an action plan.

Pursuant to the provisions of the *Fighting Against Forced Labour and Child Labour in Supply Chains Act* (the Act), specifically section 11, I certify, in my capacity as CEO, that I have examined the information contained in the report of the above-mentioned entity. To the best of my knowledge and having exercised due diligence, I certify that the information contained in the report is true, accurate and complete in all material respects for purposes of the Act, for the reporting year indicated in this report.

I have the power to bind Semences Prograin Inc.

Alain Létourneau CEO Semences Prograin Inc.

Date : May 29, 2025