



INNOVATING AND LEADING THE WAY INTO THE BIOLOGICAL ERA

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EARTH ALIVE CLEAN TECHNOLOGIES INC.

ANNUAL REPORT ON THE PREVENTION OF FORCED OR CHILD LABOUR IN OUR  
SUPPLY CHAIN

FINANCIAL YEAR ENDED DECEMBER 31, 2023

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Financial year ended December 31, 2023

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### BACKGROUND


On January 1, 2024, Canada's *Fighting Against Forced Labour and Child Labour in Supply Chains Act* (the "Act") came into force. As a corporation whose shares are listed on the TSX Venture Exchange, Earth Alive Clean Technologies Inc. ("Earth Alive"; "we"; "us"; "our") must provide each year a report on the steps we have taken during our previous financial year to prevent and reduce the risk that forced labour or child labour is used at any step of the production of our goods. This is our first report under the Act. This report, dated December 31, 2023, was adopted by the board of directors of Earth Alive on January 22, 2024 and will be provided to our shareholders together with the material needed for the purposes of their 2024 annual general meeting (we use the notice-and-access procedure permitted by the Canadian Securities Administrators). This report was also filed with *Corporations Canada* and will be available on SEDAR at [www.sedarplus.ca](http://www.sedarplus.ca).


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### STRUCTURE, ACTIVITIES & SUPPLY CHAINS

Earth Alive uses state-of-the-art microbial technology to formulate and manufacture ecological products, destined for a variety of industries. We export our products around the world. We sell the microbial spores in their primary or blended form and in ready-to-use powdered or liquid formulations. We are a leader in the development, production and distribution of technological solutions that allow the industry to move from the chemical era to the organic era.

Our products address soil degradation caused by erosion, nutrient depletion, acidification and chemical pollution currently faced by the mining, industrial and agriculture sectors.

 Our flagship ea1™ microbial dust suppressant is used in the mining and other industrial sectors as an efficient and environmentally sustainable alternative to the use of scarce water resources and harmful chemicals. ea1 microorganisms generate a hardened crust on the road preventing dust from becoming airborne while stabilizing the road structure. ea1 decreases operational costs and promotes the wellbeing of the environment, workers and communities while saving water.

 Biopure EA™ and Rapidall™ are industrial cleaners that eliminate an extensive range of residual embedded dirt and the toughest greases.

 Our portfolio of environment friendly agricultural products, starring our industry-leading Soil Activator™, improves soil fertility, promotes carbon fixation and substantially increases crop yields and quality.

We have 18 employees, mostly based in Canada. We also use a number of consultants based in Europe or the Western hemisphere to provide sales or technical services. We have two subsidiaries, one in Chile (inactive) and one in Spain. Depending on the product, we produce it in-house, buy and resell it or subcontract its production to a blender. We have less than 55 active suppliers in what can be described as a simple supply chain. All of our suppliers are based in Western Europe or the Western hemisphere.

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## **POLICIES AND DUE DILIGENCE PROCESSES IN RELATION TO FORCED AND CHILD LABOUR**

The board of directors of Earth Alive has not adopted a formal policy against forced or child labour. As both are obviously morally reprehensible and given that we are a “GreenTech” whose suppliers are based in Western Europe or the Western hemisphere, Earth Alive’s board of directors did not feel that there was a particular need to address forced or child labour. This assessment was reinforced by the fact that we have less than 55 active suppliers in what can be described as a simple supply chain. In addition, our Employee Handbook speaks to a number of values that are incompatible with forced or child labour, including our commitment to (i) Sustainable Development Goals developed by the United Nations General Assembly, (ii) treat everyone with respect, (iii) do the right thing, (iv) equal opportunity and (v) gender equality. We also have a zero-tolerance policy for violence and harassment. Although we have no specific policy in this regard, forced or child labour would be in violation of our Employee Handbook. You can find a copy of our Employee Handbook on SEDAR at [www.sedarplus.ca](http://www.sedarplus.ca).

In order to specifically address the requirements of this report and carry out a proper due diligence process, we first made a comprehensive list of all of our current suppliers. Then, we sent to each of them a Certificate that we asked to be signed and return to us. You will find a copy of this Certificate in Appendix 1 to this report.

Overall, 85.2% of our suppliers responded to our request. Of those 85.2%, 93.5% signed and sent back the Certificate exactly as we sent it to them while the rest made either slight changes, provided a different certificate yet to the same effect or referred us to their Code of conduct. Although we have no reason to suspect that the suppliers who did not respond are involved in forced or child labour, we intend to engage into a dialogue with them to ascertain the reasons beyond their silence. As the case may be, we may decide to cease using one or more of these silent suppliers’ goods or services.

We are also considering adding specific wording on forced or child labour in our supplier agreements going forward and in our Employee Handbook.

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## **PARTS OF OUR BUSINESS AND SUPPLY CHAINS THAT CARRY A RISK OF FORCED OR CHILD LABOUR**

We are a “GreenTech”. That means that our business relies on technology to achieve our goal of a greener world, of leading the transition from the chemical era to the organic era. Our products are expensive and to choose us instead of cheaper, more chemically leaning suppliers, our customers are committed to *ESG* principles. That’s why having forced or child labour in our supply chain would be suicidal as we would drive away valued customers who are willing to pay a premium in order to lower their environmental and social footprint.

Given that our products are technology-based, our limited number of suppliers and that fact that they are all based in Western Europe or the Western hemisphere, Earth Alive’s board of directors is of the view that our business and supply chain do not carry a particular risk of forced or child labour. This is why no committee of the board or of management has been assigned a specific responsibility for forced or child labour risks and governance and also explains why neither the board of directors nor management is considering at this time engaging a third-party provider to assist in the due diligence of our supply chain.

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## **MEASURES TAKEN TO REMEDIATE ANY FORCED OR CHILD LABOUR**

We have no reason to believe that any forced or child labour was used at any step of the production of our goods and we believe that our business and supply chain do not carry a particular risk in this regard. Accordingly, we did not have to take any remediate action regarding forced or child labour during our last financial year and we do not anticipate having to take any such remediate action in the future.

Given the foregoing, we did not have to consider how to compensate vulnerable families for the loss of income resulting from any remediate measure related to forced or child labour. We do not have a policy regarding remediation currently in place and do not anticipate adopting one in the near future.

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#### **EMPLOYEE TRAINING ON FORCED OR CHILD LABOUR**

Given the reasons explained in previous sections of this report, we do not feel that employee training on forced or child labour is warranted for our business. However, our procurement people were involved in the due diligence process described on page 2 which we believe will heighten their awareness of this issue and incite them to flag any concern they may have in this regard in the future.

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#### **ASSESSING OUR EFFECTIVENESS ON ENSURING THAT FORCED OR CHILD LABOUR ARE NOT BEING USED IN OUR BUSINESS**

Given the reasons explained in previous sections of this report and the due diligence process we followed to provide this report as described on page 2, the board of directors of Earth Alive is of the view that there is no reason to further assess that forced or child labour are not being used in our business.

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#### **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 Earth Alive Clean Technologies Inc.'s report prepared under the Act for the financial year ended December 31, 2023. Based on my knowledge, and having exercised reasonable diligence, I attest that the information in such report is true, accurate and complete in all material respects for the purposes of the Act, for the reporting year listed above.

I have the authority to bind Earth Alive Clean Technologies Inc.



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Name: Nikolaos Sofronis  
Title: President and Chief Executive Officer  
Date: January 23, 2024

