

NORTH PRAIRIE DEVELOPMENTS

FORCED LABOUR AND CHILD LABOUR REPORT

A. Introduction

This Forced Labour and Child Labour Report (this “**Report**”) is made pursuant to Section 11 of the *Fighting Against Forced Labour and Child Labour in Supply Chains Act* (Canada), also known as the Modern Slavery Act (the “**Act**”) for the financial year ending January 1, 2024.

This Report applies to, and describes the steps taken by, North Prairie Developments (hereinafter referred to as “**North Prairie**”, “**we**”, “**us**” or “**our**”) to mitigate forced labour and child labour in our organization’s operations and supply chains.

B. Respect for Human Rights

North Prairie fully supports the objectives of the Act and opposes the use of all forms of forced labour and child labour in our operations and our supply chain. Respect for human rights is fundamental to our values, the long-term stability and growth of our business and to the wellbeing of the communities in which we operate.

As set out in the United Nations Guiding Principles on Business and Human Rights (“**UNGPs**”), business enterprises have a responsibility to respect internationally recognized human rights. The responsibility to respect human rights requires that business enterprises: (a) avoid causing or contributing to adverse human rights impacts through their own activities, and address such impacts when they occur; and (b) seek to prevent or mitigate adverse human rights impacts that are directly linked to their operations, products or services by their business relationships, even if they have not contributed to those impacts. In applying the lens of the UNGPs, we have assessed the potential for our operations to cause, contribute to, or be directly linked to adverse human rights impacts, including forced labour and child labour. For the reasons described in this statement, we are of the view that there is low risk that our operations have caused or contributed to adverse human rights impacts. We have started to review our policies and procedures to assess whether the operations of our subcontractors or the suppliers who provide goods used in the development and construction of our products cause or contribute to adverse human rights impacts.

North Prairie has a risk based due diligence approach on forced labour and child labour. We are committed to continuous improvement in our policies and processes.

C. Corporate Structure, Activities and Supply Chain [Section 11(3)(a) of the Act]

(1) Corporate Structure

North Prairie is a partnership formed pursuant to *The Partnership Act* (Saskatchewan) and operates throughout Saskatchewan in the business of real estate development, construction and real estate rental and leasing.

(2) Activities

North Prairie is headquartered in Saskatoon, Saskatchewan. North Prairie is primarily engaged in the business of developing, constructing, and selling single-family housing units and multi-family housing units within the Province of Saskatchewan. North Prairie also provides residential and commercial property management services to various entities located in the Province of Saskatchewan.

As of January 1, 2024, North Prairie employed approximately 32 people, all of whom were resident in Canada. North Prairie has established compensation policies for its employees, including compensation grids, which are reviewed regularly. Permanent and full-time employees of North Prairie are eligible for, among other things, cost-shared benefits, an employer-matched pension plan and reimbursement for training. North Prairie has established organization guidelines and operating practices which govern operations including the hours of operation, employee job descriptions and safety policies and procedures for employee protection.

Most of the work required to construct our housing units is contracted out by North Prairie to various subcontractors and suppliers. To support the construction of our housing units, North Prairie provides its own site supervisors to manage the projects, as well as some labourers to assist in and complete various aspects of the construction and turn over process.

North Prairie utilizes its own employees to operate the residential and commercial property management segment of its business.

(3) Supply Chain and Operations

Goods purchased by North Prairie through subcontractors

Generally, each subcontractor engaged by North Prairie for a development project is responsible for providing the supplies and materials required to complete their subcontracted portion of the project. For North Prairie's fiscal year ended January 1, 2024, approximately 50-60% of the goods sourced for North Prairie's projects were procured by its subcontractors.

We acknowledge the risk of forced labour and child labour existing in any complex supply chain, particularly where North Prairie does not have direct contact with the organizations supplying the goods and materials that are used in the construction of our housing units. Currently, North Prairie has limited information available to it regarding the operations of the suppliers of its subcontractors.

Goods purchased directly by North Prairie

As for the other approximately 40-50% of goods used in North Prairie's projects (that is, those which North Prairie sources directly) for its fiscal year ended January 1, 2024, approximately 40-50% of that volume was sourced from North Prairie's top 25 suppliers. The goods procured by North Prairie for use in its projects are sourced from suppliers located in Canada.

For the goods that North Prairie purchases directly from suppliers, it currently does not have any policies or practices in place to determine whether forced labour or child labour is used at any step of the production of those goods in Canada or elsewhere.

Goods and services procured directly to support our Operations

North Prairie procures various services and goods (other than goods which are incorporated into the products that North Prairie develops and constructs for re-sale) to support our operations. In this regard, our supply chain profile for goods and services remains largely the same year-on-year. The types of goods (other than goods which are incorporated into the products that North Prairie develops and constructs for re-sale) and services procured by North Prairie from suppliers to support its effective operations generally consist of the types of goods and services listed in the table below. We also provide a general description of the key forced labour and child labour risks that are likely to exist in each of those categories by virtue of the industry risk profiles and provision of goods or services.

Type of goods / service	Description	Generally known forced labour and child labour risks
Office equipment and supplies / consumables / marketing	Food and beverage products, catering services, cleaning products, office furniture, printing, stationery, merchandise suppliers	<p><i>Food Services</i> - Food related supply chains have a high risk of forced labour and child labour due to the reliance on ingredients sourced globally, often from countries with a higher prevalence of, and vulnerability to forced labour and child labour. For example, coffee, tea, cocoa, rice, palm and derivative products and seafood are some of the many products linked to forced labour and child labour.</p> <p><i>Corporate Merchandise</i> – Mass-produced items and garments, particularly if produced in countries with a greater prevalence of, and vulnerability to and have a higher risk of child labour and forced labour.</p> <p><i>Furniture</i> - There are increased forced labour and child labour risks associated with producing and sourcing raw materials such as timber, bricks, PVC in flooring, fabrics, metals and glass as well as risks in the manufacturing industry located in countries with a greater prevalence of, and vulnerability to, forced labour and child labour.</p>
Technology and IT	Electronics, tablets, laptops, desktops, mobile phones	Forced labour and the worst forms of child labour are present in the supply chains that provide IT companies with the necessary raw materials to produce electronic goods, and parts of those goods. The manufacture of electronics has been associated with labour exploitation, including child labour and forced labour.
Transport and accommodation	Airlines, hotels and lodging	The hospitality and food services industry, irrespective of jurisdiction, has elevated risks driven by parallel factors described below in relation to the cleaning sector.
Facilities management	Cleaning and janitorial services	<p>The cleaning industry is considered a higher risk industry for forced labour and debt bondage due to factors such as employers withholding wages, excessive working hours, complex and opaque subcontracting arrangements, and workers on temporary visas with limited bargaining power and awareness of their rights at work.</p> <p>Similar to the cleaning sector, the prevalence of subcontracting in the facilities maintenance industry can lead to contractual liabilities and obligations diminishing to the point where the human rights of workers on site may go unnoticed due to a lack of transparency.</p>

Our suppliers of those goods and services that support our operations are primarily domiciled in Canada, and we are of the view that our supply chains and activities for the types of goods (other than goods which are incorporated into the products that North Prairie develops and constructs for re-sale) and services procured by North Prairie carries a low risk of the use of child labour and forced labour.

D. Preventing and Reducing the Risk of Forced Labour and Child Labour

(1) Steps taken during last financial year to prevent and reduce risk that forced labour and child labour used in supply chain [Section 11(1) of the Act]

During our most recent financial year, North Prairie obtained verbal confirmation from new employees regarding their age and maintained and adhered to the internal policies set forth in North Prairie's Employee Handbook. Given the infancy of the Act and with this being North Prairie's initial report under the Act, since the end of our most recent financial year North Prairie has focused its efforts on understanding the requirements of the Act and starting the process of determining its next steps in preventing and reducing the risk that forced labour or child labour is being used at any step of the production of goods in Canada or elsewhere for products developed, constructed and sold by North Prairie.

(2) Policies and due diligence processes in relation to forced labour and child labour [Section 11(3)(b) of the Act]

North Prairie has internal policies and processes in place to promote and ensure compliance with applicable laws (including in respect of employment and human rights) in Saskatchewan, where North Prairie conducts its business. These policies are generally set out in North Prairie's Employee Handbook and include our "Core Company Policies" relating to employment equity, harassment free workplace and occupational health & safety. We also require our subcontractors to agree to comply with our Safety Policy, along with all other project-specific safety rules and occupational health and safety regulations.

As part of its hiring process for new employees, North Prairie verifies the age of the applicant to confirm that they are over 18 years old. While North Prairie does not currently employ any individuals under the age of 18 years, if an applicant was under the age of 18 years, North Prairie will only hire the applicant if they first obtain the prior written consent of the applicant's guardian. Any overtime hours worked must be voluntarily and mutually agreed to by the employee and their manager.

North Prairie hires reputable contractors and suppliers with which it has long standing relationships.

(3) Risk Assessment and Management of Risk [Section 11(3)(c) of the Act]

With the Act coming into force following the end of the last financial year, North Prairie had not completed its assessment and identification of which parts of North Prairie's supply chain may carry a risk of forced labour or child labour. However, with the objective of further understanding the potential risk of forced labor and child labour being used in our supply chain, the Management Committee for North Prairie has recently directed North Prairie's Chief Financial Officer to review and recommend to the Management Committee potential risk assessment tools that we could utilize moving forward to help identify, assess and manage the risk of forced labour and child labour being used in our supply chain.

(4) Forced Labour and Child Labour Remediation Measures [Section 11(3)(d) of the Act]

North Prairie is not currently aware of any forced labour or child labour practices occurring within its supply chain or in its activities. Accordingly, North Prairie has not undertaken any measures to remediate any forced labour or child labour to date.

(5) Loss of Income - Remediation Measures [Section 11(3)(e) of the Act]

North Prairie is not currently aware of any forced labour or child labour practices occurring within its supply chain. Accordingly, North Prairie has not undertaken any measures to remediate any loss of income relating to any forced labour or child labour to date.

(6) Training to Employees [Section 11(3)(f) of the Act]

North Prairie currently does not provide formal training to its employees on forced labour and child labour. The Management Committee for North Prairie has recently directed North Prairie's Chief Financial Officer to review and recommend to the Management Committee potential training programs and materials that could be provided to North Prairie's management group to help raise awareness of, and reduce and prevent, the risk of forced labour and child labour being used in our supply chain.

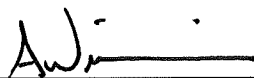
(7) Assessing Our Effectiveness [Section 11(3)(g) of the Act]

North Prairie currently does not have any policies or practices in place to measure and track the North Prairie's success in preventing and reducing risks of forced labour and child labour in its business and supply chains.

E. Approval and Attestation [Section 11(4) and (5) of the Act]

This Report has been approved by the Management Committee of North Prairie Developments in accordance with Section 11(4)(a) of the Act. 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 North Prairie Developments. 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.

NORTH PRAIRIE DEVELOPMENTS

Per: 
Name: Andrew Williams
Title: Authorized Signatory
Date: May 31, 2024

I have the authority to bind North Prairie Developments