

SemiosBIO

Modern Slavery Act Report

May 2024



Modern Slavery Act Statement

Our Commitment

SemiosBIO Technologies Inc. and its subsidiaries (collectively, "Semios") is committed to ensuring forced labour and child labour, or any form of modern slavery are not taking place in our supply chain or business operations. This report has been prepared pursuant to *The Fighting Against Forced Labour and Child Labour in Supply Chains Act* (the "Act") and details the efforts made on behalf of Semios for the calendar year ending December 31, 2023.

Any form of modern slavery is in direct conflict with Semios' values and will not be tolerated in our organization or in those of our suppliers and subcontractors. We hold ourselves to the highest standards of integrity, honesty and transparency, and expect executives, employees and contract workers to act accordingly and comply with the laws, rules and regulations that apply to Semios in all jurisdictions where we operate. Any instances where these expectations are not met will be investigated and appropriate actions taken.

Semios is committed to identifying and eliminating to the fullest extent practicable any form of modern slavery in our business. Understanding and addressing our involvement in modern slavery is paramount to operating as a global organization and to our supply chain. Initiatives such as employee awareness training and holding suppliers accountable to adhering to related laws and regulations must be an integral part of our daily business practices in order to fight the very real risk of involvement through our value chain, including through our suppliers.



Structure & Activities

SemiosBIO Technologies Inc. is a private entity that was founded in 2011 in Vancouver, Canada and is the parent company of Semios USA Inc., SemiosBio Technologies B.V., Semios Australia PTY LTD and Agworld Pty Ltd, among others. As of December 31, 2023, Semios has over 250 full time, permanent employees globally. Semios is headquartered in Vancouver, Canada, with additional offices and warehouses in the USA, Italy and Australia. Semios is the industry's leading precision crop management platform for tree fruit, nuts, and vines.

At Semios, we help growers leverage technology to produce more food, more sustainably. Through our precision farming platform, we provide crop management tools for growers of complex specialty crops like almonds, pistachios, apples, citrus, and grapes.

Leveraging an in-orchard IoT wireless network, machine learning, and big data analytics, we help growers predict and manage insect and disease pests, monitor weather-related risks, optimize water management, and respond to plant health conditions in real-time.

By helping nature do its best work, we help reduce the burden on the environment while keeping more money in the farmer's pocket.

Supply Chain

Operating within a diverse value chain, we source products from more than 100 suppliers from 15 different countries globally, and sell our products and services commercially in 3 countries.

Our procurement activities encompass a spectrum of components and finished goods, including electronic components and printed circuit boards for our custom made electronic devices, manufactured in both Canada and East Asia. Additionally, we source raw active ingredients for our mating disruption product lines, manufactured domestically in Canada and the United States.

Beyond custom-manufactured items, our procurement extends to finished products such as agricultural data collecting sensors, weather stations, solar panels, poles, lures, batteries, cables, and antennas, among other essential elements for our in-field setups.

Semios manufactures its core products for its global demand in a single location while adapting jurisdictional requirements depending on the location of its services.

Supply Chain Purchases By Country



United States

Semios USA Inc is our largest commercial operation, mostly operating in California and Washington. Semios operates out of multiple warehouses in these states where inventory is stored and prepared to later be installed into our customers' orchards. As of December 31, 2023, Semios USA Inc. has over 100 full time, permanent employees across the US and hires seasonal employees for our sales and install season annually.

Italy

For our Italian operations, Semios' products are manufactured to be CE, RoHS, and REACH certified, as per EU regulations. Some of the supporting equipment needed is purchased



locally within Italy or surrounding countries to support local companies, reduce lead times, and help reduce emissions from shipping long distances.

Australia / New Zealand

For our Australian operations, Semios' products are manufactured to comply with ACMA regulatory requirements. Some of the supporting equipment needed is purchased locally within Australia to support local companies, reduce lead times, and help reduce emissions from shipping long distances.

Risks, Policies, and Due Diligence

Semios acknowledges the inherent risks within certain segments of its supply chain regarding child labor and forced labor, particularly concerning the electronic devices manufactured in East Asia.

Semios is working to develop a formal policy to address the risks of modern slavery and anticipates implementation in 2025. Notwithstanding formal policy development, Semios exercises caution in supplier and partner selection, adhering to a rigorous vendor qualification process prior to inclusion on the Semios approved vendor list (AVL). In regards to ethics, Semios' vendor qualification process consists of the below components:

- **Labour Practices:** Semios does its best to ensure vendors on the AVL maintain a safe and conducive working environment, provide fair compensation, and fully comply with all labour regulations. For key vendors, Semios conducts site visits during the vendor selection process, followed by bi-annual inspections to assess facility conditions, working environments, and engage with employees across various departments.
- **Transparency and Disclosure:** Semios prioritizes partnerships with vendors who demonstrate a willingness to transparently disclose requested information regarding their operations, supply chain, and corporate practices. Similarly, Semios upholds a policy of openness, reciprocally sharing pertinent details with vendors. Such transparency fosters mutual trust, creating long lasting partnerships between the two organizations.



- **Ethical Leadership and Corporate Culture:** Semios collaborates with vendors exemplifying ethical leadership and demonstrating a healthy corporate culture. Should any indications of questionable conduct arise, Semios maintains a strict policy of terminating relationships. Upholding principles of honesty, integrity, and fairness is paramount in all interactions undertaken by Semios.
- **Conflict of Interest:** Semios works hard to engage exclusively with vendors free from conflicts of interest. This objective is realized through transparent dialogues regarding both parties' operations. Semios expects vendors to prioritize our best interests and maintains a zero-tolerance policy towards any compromise arising from conflicts of interest.

Semios will select a vendor who meets all of the above criteria, but prefers to work with vendors who go above and beyond this.

Remediation of any Forced Labour or Child Labour

To date, Semios has not encountered instances of forced labor or child labour among its vendors, hence necessitating no immediate measures. However, in the event of such a discovery, the Supply Chain team would escalate the matter to the Semios' executive leadership team and initiate an action plan, with the initial step being to terminate the relationship with the vendor. Depending on the jurisdiction's legal requirements, Semios may be obligated to report the violation to the Compliance and Ethics department.

Additionally, Semios would conduct an investigation into the oversight that led to the lack of awareness, integrating these insights into an enhanced vendor qualification process and associated employee training. Simultaneously, a reassessment of existing vendor relationships would be undertaken to ascertain the need for re-evaluation.

Remediation of Lost Income

Semios has not been aware of any of their vendors using forced labour or child labour, so no measures have been necessary to date.

Internal Training

As of December 31, 2023, Semios has not conducted formal training specifically addressing child labour and forced labour with its employees. However, an informal training process is in place for the Semios Supply Chain team upon their introduction to the vendor qualification process. This training emphasizes the criteria for evaluating vendors with whom Semios aims to establish partnerships that align with our values. Key components of this training include an initial assessment, quality and compliance check, financial stability check, risk assessment, reference checks, and a site visit for potential key vendors. Moreover, Semios maintains an internal Respectful Workplace Policy, which extends beyond internal colleagues to include interactions with our external partners.

In 2024 Semios plans on implementing a formal training program for the prevention of Modern Slavery, including child labour and forced labour. The first line of defense in fighting modern slavery is our employees. They must understand the risks, signs, red flags and how to report concerns. This is particularly important in functional areas responsible for supply chain management, partner relationship management and procurement. Our training strategy for 2024 is focused in these functional areas and will involve tailored training identifying higher risk areas, human rights awareness, augmentation of contractual supplier requirements and escalation processes in the event of suspected violations. Additionally, broader training to raise awareness of the risks of modern slavery and more general human rights will be developed and rolled out for all Semios employees worldwide by the end of 2025.

Assessment of Effectiveness

Outside of Semios' vendor qualification and selection process, Semios has not actively assessed effectiveness in ensuring forced labour and child labour are not being used. However, Semios does remain committed to fostering an ethical and streamlined supply chain; through continuous monitoring of its vendors. Semios draws insights from regular communication channels and annual vendor meetings. These annual meetings serve as


platforms for mutual disclosure of significant company developments and strategic directions over the forthcoming 3-5 years. Furthermore, Semios conducts bi-annual on-site visits to its key vendors, facilitating firsthand assessments of working conditions to ensure their stability or enhancement.

Semios is committed to developing a practical and effective method to assess its effectiveness in ensuring forced labour and child labour are not being used by the end of 2025. It is anticipated that this assessment will include a comprehensive listing of key activities, risk identification, expected outcomes, intended impact and actual outputs. Expected areas of emphasis include managing risks, strengthening governance, supplier assessment effectiveness and building internal competencies through training.

Semios will continue to review and improve its practices to recognize and mitigate the risks associated with all facets of modern slavery.

We will endeavor to hold ourselves and those we do business with to the highest standards of integrity, transparency and inclusiveness as we all strive to achieve our business goals.



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Chief Executive Officer
SemiosBIO Technologies, Inc.


May 2024



Approval and Attestation

The Report was approved pursuant to section 11(4) of the Act by the Board of Directors of SemiosBIO Technologies Inc.

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 or entities 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.

DocuSigned by:

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Mick Sawka

Board Chair, Director

SemiosBIO Technologies Inc.

May 2024

I have authority to bind SemiosBIO Technologies Inc.