

AGROCROP'S 2024 REPORT ON MODERN DAY SLAVERY

This report is provided in relation to Canada's *Fighting Against Forced Labour and Child Labour in Supply Chains Act* (the "Act", "Bill S-211", and "Modern Slavery Act") and related guidance from Public Safety Canada, for the reporting period of April 1, 2023 to March 31, 2024 ("2024 fiscal year"). This is a joint report, and the main reporting entity and parent company is YKK Holdings Ltd. The subsidiary and affiliate considered in this joint report is Agrocrop Exports Ltd. For the purpose of this report, "the Company", "we", "our" "us" and "Agrocrop" means YKK Holdings Ltd. and its direct subsidiary Agrocrop Exports Ltd.

OUR STRUCTURES, OPERATIONS AND SUPPLY CHAINS

Agrocrop is a privately held, Canadian-owned and operated company specializing in supply of private-label pulses (such as dry beans, chickpeas, lentils and peas), rice and other like products. The Company was first incorporated in Ontario in the early 2000s and operates facilities in Bolton, Ontario and Calgary, Alberta.

The Company's supply chain has global reach. In the 2024 fiscal year, 51.6% of the Company's raw materials were supplied from Canada and the United States whereas 48.4% of the Company's raw materials were supplied from outside Canada and the United States¹. The Company acknowledges that its supply chain, being designated in the agricultural sector, is at higher risk for the presence of forced labour and child labour. The Company is committed to implementing actions to reduce the risk of forced labour and child labour in its supply chain.

Agrocrop has five key company values: Continuous Improvement, Accountability for the Business, Team Focus, Passion for Quality and Customer Centricity. The Company's efforts to reduce the risk of forced labour in the supply chain align with our value of *Accountability for the Business* by holding ourselves and our suppliers responsible for upholding labour standards. We take ownership of assessing and reducing the risk of forced labour and child labour in our supply chain and taking proactive measures to address any instances of non-compliance, demonstrating our commitment to ethical business practices and accountability to our stakeholders.

STEPS TAKEN TO PREVENT AND REDUCE THE RISKS OF FORCED LABOUR AND CHILD LABOUR

Agrocrop is in the initial stages of understanding the risk of forced labour and child labour in its supply chain. During the 2024 fiscal year, the Company increased its awareness of the risk of forced labour and child labour and how it could apply to its imported goods supply chain. The Company has enhanced its awareness through self-directed learning as well as engaging a third-party professional services firm to lead a training session on modern slavery and Canada's Modern Slavery Act (Bill S-211). The training session was completed in April 2024. Company leadership, as well as representatives from Human Resources, Operations, Supply Chain and Procurement and Finance attended the training. The Company

¹ Metric is determined based on pounds of raw materials sourced.

believes that education and gaining awareness is the foundational step to actioning a plan to assess, prevent and reduce the risk of forced labour and child labour in its supply chain.

By partnering with sustainability experts, the Company aims to enhance its understanding of modern day slavery, including forced labour and child labour, and implement effective measures to address and prevent them within its supply chain. During the next fiscal year, the Company plans to complete a supplier segmentation exercise and review its policies and supplier due diligence processes to understand how they could better address the risks of forced labour and child labour in its supply chain.

POLICIES AND DUE DILIGENCE PROCESSES

During the April 2024 training session on modern slavery and Canada's Modern Slavery Act the Company discussed certain policies and processes, already in place, with a lens on how they could be enhanced to specifically cover the identification, assessment, and management of forced labour and child labour risks in the Company's supply chain. For example, the Company is reviewing its Code of Conduct and intends to make revisions to better reflect modern day slavery considerations as a step to strengthen our foundations for sustainable and ethical sourcing practices.

FORCED LABOUR AND CHILD LABOUR RISKS

The Company acknowledges that its supply chain, being designated in the agricultural industry, is a high-risk sector for the presence of forced labour and child labour². The Company has determined that its Canadian and US-based suppliers are deemed to carry a lower risk for the presence of forced labour or child labour as there are relatively stronger labour and anti-modern day slavery laws and regulations in place in comparison to other regions and countries. The Company acknowledges that suppliers based outside of Canada and the United States may carry a higher risk for the presence of forced labour and child labour if they operate in jurisdictions with less robust or non-existent labour regulations.

The Company is committed to implementing actions to reduce the risk of forced labour and child labour in its supply chain. During the next fiscal year, the Company plans to complete a supplier segmentation exercise to inform future prioritization of due diligence activities based on risk. In addition, the Company plans to further align its policies and supplier due diligence processes to better address the risks of forced labour and child labour in its supply chain.

REMIEDIATION MEASURES

The Company has not identified any instances of forced or child labour in its activities and supply chains within the 2024 fiscal year, and therefore, no remediation measures have been taken.

² [Child Labour: Global estimates 2020, trends and the road forward | International Labour Organization \(ilo.org\)](https://www.ilo.org/publications/new/series/child-labour)

REMEDIATION OF LOSS OF INCOME

The Company has not identified any instances of forced or child labour in its activities and supply chains within the 2024 fiscal year. As such, there has not been any loss of income to remediate in the 2024 fiscal year.

TRAINING

In April 2024, the Company engaged a third-party professional services firm to lead a training session on modern slavery and Canada's Modern Slavery Act to a cross functional leadership team. No similar training took place during the 2024 fiscal year.

The Company will continue to promote internal education and awareness of modern day slavery risks across the Company. In addition, as the Company actions a supplier segmentation exercise and enhancements to its Code of Conduct and Supplier Due Diligence practices over the next fiscal year, training will be provided to impacted employees such that they are aware of revised policies and processes that they will need to adhere to.

ASSESSING EFFECTIVENESS

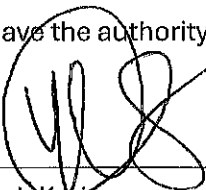
For the 2024 fiscal year, no actions have been taken by the Company to assess its effectiveness in preventing and reducing the risk of forced labour and child labour in its supply chains.

In the next reporting period, the Company will continue to promote internal education, review its policies and procedures to determine where it can enhance current processes and policies to reflect modern day slavery considerations and complete a supplier segmentation exercise. The Company will assess its effectiveness at the conclusion of the next fiscal year by a measure of its progress against these commitments.

APPROVAL AND 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 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.

I have the authority to bind YKK Holdings Ltd. and Agrocrop Exports Ltd.



Yash Karia

Chief Executive Officer

May 29, 2024