

MODERN SLAVERY REPORT 2024

PrairieCoast Equipment



This Modern Slavery Report (the “Report”) addresses the period from Nov.1, 2023 to Oct.31, 2024 and has been prepared in compliance with the *Fighting Against Forced Labour and Child Labour in Supply Chains Act* (Canada) (the “Act”).

This Report is made on behalf of PrairieCoast Equipment (“PCE”).

## I. INTRODUCTION

Forced labour and child labour, each as defined in the Act, are crimes and serious violations of human rights. As a leading business in the agricultural equipment industry, PCE recognizes the important role that we have in ensuring that the supply chains that support our operations and products, adhere to the highest ethical standards, including the prevention and identification of forced labour and child labour in our supply chain. This Report sets out the steps we have taken during Fiscal 2024 to prevent and reduce the risk that forced labour or child labour is used at any step in the production of goods in Canada or elsewhere by PCE or of goods imported into Canada by PCE.

## II. OUR BUSINESS

PrairieCoast Equipment is an agricultural equipment dealer headquartered in British Columbia, Canada. We are a partnership that distributes agricultural equipment including tractors, planting and seeding equipment, and harvesting equipment, etc. for example. We also supply parts, attachments, and services to support those products. We operate 11 physical locations across Alberta, Canada and British Columbia, Canada. Our customers are largely the end-users of our products, which largely include family farms and agricultural businesses located in Canada. We occasionally supply agricultural equipment and associated products to other distributors in Canada.

PrairieCoast Equipment's supply chain includes businesses that supply agricultural parts and equipment, and supply services to our organization. We receive goods from our suppliers in their final form. Most of our direct suppliers are North American based. Our supply chain also includes businesses that are based in other parts of the world such as Germany and Mexico.

In total, we procure goods and services from approximately 500 suppliers and contractors. Further information about our business can be found on our website.

## III. OUR POLICIES

### Policies

Through our internal policies, we communicate our values and expectations, setting a high bar for ourselves and for our suppliers, and make it clear that we do not tolerate any forms of forced labour or child labour. We are committed to consistently evolving and improving our approach. We do not tolerate child, forced or bonded labour in any of our operations, or in the operations of our suppliers, subcontractors and other business partners. Our relevant policies are discussed in further detail below:

#### Supplier Code of Conduct

PCE's Supplier Code of Conduct sets out the expectations we have of our suppliers, their supply chains, and those with whom we do business. We expect our suppliers to comply with all applicable legal requirements in the jurisdictions in which they operate and consistently monitor and enforce our Supplier Code of Conduct in their own operations and supply chain.

We also expect our suppliers to share in our commitment to respect human rights and strive to meet the highest ethical business standards and international best practices for responsible business

conduct. Our Supplier Code of Conduct sets forth our commitment to preventing and eliminating forced and child labour, and our expectation that suppliers engage in due diligence to identify, address and resolve risks and instances of forced or child labour in their own operations. We engage with suppliers that are committed to principles of diversity and inclusivity in their supply chains, and ask that suppliers commit to these standards as a condition of doing business with us. We review our Supplier Code of Conduct on an annual basis to ensure that this policy is in line with current best practices.

### Core Values

We are committed to conducting our business with integrity. Our Core Values are the foundation of our company and sets out guiding principles on professional conduct and establishes that in performing their job duties, PCE employees should always act with the highest standards of professional behavior and ethics.

### Due Diligence

We expect third parties with which we work to adhere to business principles and values similar to our own and to comply with all applicable laws and regulations.

We acknowledge that employees working in our facilities and our supply chain are at potential risk of forced labour or child labour. PCE currently does not engage in supplier visits, audits etc. to verify that our supply chain is not participating in forced labour or child labour.

## IV. ASSESSING OUR RISK

PCE has identified the following factors that may pose a risk of inadvertent access to products that have been produced with forced, or child labor. We are committed to assessing and developing strategies to mitigate these risks:

- Reliance on low skilled workforce
- Dangerous or undesirable work
- Presence of migrant workers
- Presence of labour intermediaries
- Offshore production
- Long, complex, or non-transparent supply chains
- Presence of child labour
- Jurisdictional risks including poverty, conflict, and enforcement of international human rights standards.

Our exposure to the risk of forced labour and/or child labour increases when we engage with third parties, particularly in categories such as transportation, warehousing, construction, manufacturing, packaging, raw material sourcing, and agriculture. We recognize that our exposure of forced labour and/or child labour increases when we engage with suppliers who source goods or raw materials from countries where

forced labour exploitation is known to occur. As such, we will follow a risk-based approach to our due diligence activities. Our due diligence is prioritized to the most significant adverse impacts on the basis of severity and likelihood of harm and focus our attention and resources.

## V. OUR COMMITMENTS

### Steps to Prevent and Reduce Risks of Forced and Child Labour

- Gathering information on worker recruitment and maintaining internal controls to ensure that all workers are recruited voluntarily.
- When hiring employees through international recruitment, PCE will partner with NAEDA's international recruitment program
- We are in the process of implementing our Employee Code of Conduct, which will be followed by our Business Code of Conduct
- Developing training and awareness materials on forced labour and/or child labour; yet to be implemented
- Engaging with supply chain partners on the issue of addressing forced labour and/or child labour through our newly implemented Supplier Code of Conduct

### Remediation Measures

Our Supplier Code of Conduct requires our suppliers to adhere to high standards of ethical conduct. Forced and child labour is strictly prohibited.

In the event that we discover any forced labour or child labour in our business and supply chains, we take the following measures to remediate such forced labour or child labour:

- *Suspension or termination of a supplier, sub-supplier or contractor.*
- *Enhanced supervision and/or monitoring of supplier, sub-supplier or contractor.*

PCE has not yet taken any steps to remediate the loss of income resulting from other remediation efforts.

### Training

Every new manager of PCE must complete mandatory online training on our values and policies, including our Core Values, and is informed of how to report wrongdoing. We provide employees with ongoing and periodic training opportunities to ensure that all employees have current knowledge. We have not yet implemented training specifically related to forced labour and/or child labour.

## VI. OUR PROGRESS AND EFFECTIVENESS

We currently have no policies or procedures to accurately assess effectiveness in ensuring forced labour and child labour are not being used in our business or supply chains.

VII. APPROVAL AND SIGNATURE

This Report was approved by PrairieCoast Equipment’s CEO on May 29, 2025 with authority issued by Board of Directors, and has been submitted to the Minister of Public Safety and Emergency Preparedness in Canada. This Report is also available on our company website at [www.prairiecoastequipment.com](http://www.prairiecoastequipment.com).

In accordance with the requirements of the Act, and in particular section 11 thereof, I attest that I have reviewed the information contained in this Report for the PrairieCoast Equipment. Based on my knowledge, and having exercised reasonable diligence, I attest that the information in this Report is true, accurate and complete in all material respects for the purposes of the Act, for the reporting year listed above.



JD Frame

CEO, May 29, 2025

I have the authority to bind PrairieCoast Equipment