

Report on Compliance with the Supply Chains Act (Bill S-211)

Reporting Entity: Prairie Dust Inc

**Financial Reporting Year: November 1st,
2023, to October 31st, 2024**

Business Number(s): 862326691

**Identification of a Revised Report: Not a
revised report**

**Identification of Reporting Obligations in
Other Jurisdictions: N/A**

**Entity Categorization According to the Act:
Corporation**

Sector/Industry: Farming/Agriculture

Location: Alberta, Canada

Introduction

Prairie Dust Inc, a corporation in the farming and agriculture sector located in Alberta, Canada, submits this report to comply with the Supply Chains Act (Bill S-211) for the financial reporting year ending on October 31st, 2024. This report outlines the steps taken by our organization to prevent and reduce the risk of forced labor and child labor in our activities and supply chains.

Section 11(1) - Steps Taken to Prevent and Reduce Risks

Detailed Action:

Prairie Dust Inc acknowledges the importance of ensuring that forced labor and child labor are not used at any stage of the production of goods in Canada or elsewhere by our entity or in goods imported into Canada by our entity. During the reporting year, we have taken several measures to prevent and reduce these risks:

Supplier Audits and Assessments:

- We continue to monitor every supplier and subcontractor to verify their full alignment with all labor standards and relevant legislation.
- We continue to keep an active, risk-based lens on our supply chain, identifying suppliers or regions that are most vulnerable to forced- or child-labor risks.
- We continue to conduct in-depth reviews of supplier and subcontractor labor practices—scrutinizing recruitment, working conditions, and age-verification procedures—to ensure ongoing compliance with our rigorous requirements.

Supply Chain Mapping:

- We continue to develop and regularly update a comprehensive map of our entire supply chain, meticulously tracing every tier of suppliers and sub-suppliers.
- We continue to conduct diligent assessments at each node of that chain, focusing in particular on regions with a known history of labor exploitation.

Supplier Code of Conduct:

- We continue to uphold an unequivocal, non-negotiable supplier code of conduct that explicitly prohibits forced labor and child labor.
- We continue to enforce a strict stance whereby suppliers who fail to meet these ethical standards risk termination of our business relationship, along with immediate notification of the relevant authorities.

Due Diligence Procedures:

- We continue to apply robust due-diligence procedures, continually evaluating each supplier's strict adherence to our code of conduct.
- We continue to carry out regular, rigorous reviews of supplier performance—offering constructive feedback and promptly mandating corrective actions whenever violations are identified.

Worker Engagement:

- We continue to actively foster an environment of open communication with workers across our supply chain, enabling them to report any labor violations without fear of retaliation.
- We continue to maintain secure mechanisms that guarantee workers the ability to voice concerns and grievances, reaffirming our commitment to safeguarding their rights.

Training and Awareness:

- We continue to conduct targeted training programs on a regular basis, ensuring that all employees, suppliers, and subcontractors are well-versed in recognizing and addressing forced- and child-labor risks.

- We continue to ensure that workers are fully aware of their rights and have clear procedures for reporting any violations, thereby promoting a culture of accountability.

Age Verification:

- We continue to implement rigorous age-verification procedures, leaving no room for ambiguity in confirming workers' eligibility and ensuring the exclusion of child labor.
- We continue to maintain meticulous, up-to-date records of workers' ages and identification, providing concrete evidence of our compliance.

Legal Compliance:

- We continue to stay up-to-date with all relevant labor laws and regulations across every region in which we operate.
- We continue to ensure that every employment contract and practice rigidly adheres to these legal requirements.

Whistleblower Protection:

- We continue to uphold an unwavering commitment to whistleblower protection, ensuring that employees, suppliers, and subcontractors who report labor violations receive absolute protection.
- We continue to guarantee strict confidentiality and enforce non-retaliation measures for whistleblowers, safeguarding their rights and security.

These actions demonstrate a commitment to ethical and responsible business conduct, helping Prairie Dust Inc minimize the risk of forced labor and child labor within its operations and supply chains.

Steps Taken to Assess and Manage Identified Risks:

Assessment Steps in Practice:

Risk Identification:

We continue to focus on high-risk regions, study our suppliers closely, and identify vulnerable worker groups as primary areas of concern.

Employee Interviews

We continue to conduct in-depth employee interviews and review any suspicious third-party assessments.

Risk Evaluation:

We continue to prioritize risks based on their potential impact, ensuring our mitigation efforts stay sharply targeted.

Root Cause Analysis:

We continue to investigate the root causes of identified risks. We continue to analyze why and how forced- or child-labor risks might arise in specific areas of our supply chain, pinpointing the critical factors involved.

By carrying out these ongoing steps, Prairie Dust Inc. continues to take concrete action to evaluate and manage forced- and child-labor risks. Our unwavering commitment to transparency and responsible business practices guides us in addressing these challenges and upholding ethical conduct throughout our operations and supply chain.

Risk Management Steps:

Risk Mitigation Strategies:

- We continue to design and implement targeted strategies to mitigate each risk we identify, addressing the root causes uncovered in our assessments.

For example, we continue to:

- refine recruitment practices to keep them fully ethical and compliant with labor standards;

- reevaluate supplier-selection criteria to favor partners who share our zero-tolerance stance on labor risks; and
- diversify our supply chain to reduce exposure to high-risk regions.

Supplier Engagement:

- We continue to foster a culture of transparency and accountability throughout our supplier network.

Supply Chain Transparency:

- We continue to disclose relevant information about our suppliers and our ongoing efforts to combat forced and child labor.

Remediation Measures:

- We continue to maintain clear, immediate procedures for addressing any instance of forced or child labor, ensuring swift remediation.
- When necessary, we continue to provide comprehensive support to affected workers and report violations to the relevant authorities.

Continuous Improvement:

- We continue to review and update our risk-assessment and management strategies, adapting to emerging risks and industry best practices.

Whistleblower Safety:

- We continue to ensure that workers and stakeholders can report labor violations with full confidence that they will face no retaliation.

Legal Compliance:

- We continue to guarantee that all risk-management efforts remain fully aligned with local and international labor laws and regulations.

By following these ongoing measures, Prairie Dust Inc. continues to proactively assess and manage forced- and child-labor risks, uphold compliance with the Supply Chains Act, and maintain ethical, responsible business practices across its operations.

Section 11(3) - Supplementary Information

(a) - Structure, Activities, and Supply Chains

Structure

Prairie Dust Inc operates as a family-owned and operated corporation based in Alberta, Canada. As a corporation, we adhere to the legal framework governing our operations, ensuring compliance with all relevant laws and regulations. Our structure is characterized by:

- **Legal Structure:** Prairie Dust Inc is registered as a corporation, which reflects our commitment to conducting business with transparency and accountability.
- **Ownership:** We are a family-owned business, which emphasizes our dedication to maintaining strong family values and principles in all aspects of our operations.
- **Employee Base:** Prairie Dust Inc is proud to employ between 50 to 100 individuals who are primarily recruited from the local community. Our workforce plays a pivotal role in our success, and we value their contributions greatly.
- **Community Engagement:** We are deeply integrated into the local community, and our operations have a substantial impact on the region. Our commitment to eco-friendly farming practices and safety aligns with our mission to contribute positively to the community we serve.

Mission Statement:

At Prairie Dust Inc, our mission is clear and resolute:

"At Prairie Dust Inc, our foremost commitment is to foster a thriving environment where our employees and their families can flourish. Through sustainable and safe cultivation practices, we prioritize the well-being of our team members, ensuring a supportive workplace that values their safety, health, and growth. By nurturing a culture of inclusivity and care, we aim to provide not only premium crops but also a fulfilling livelihood for our employees, contributing to a prosperous future for all."

Our mission statement epitomizes our dedication to creating a workplace where employees and their families are at the forefront. We believe that by prioritizing their well-being and growth, we not only ensure the success of our business but also enrich the lives of those who contribute to it.

Activities: Diversified Agricultural Operations: Prairie Dust Inc specializes in a variety of farming activities, with a central focus on providing a nurturing environment for our employees and their families. Our operations are situated on a private family farm in the pristine agricultural landscape of Alberta, Canada.

Sustainable Crop Rotation for Livestock Welfare: Understanding the significance of sustainable agriculture, we have integrated a comprehensive crop rotation strategy into our operations. This strategy not only enhances soil health but also ensures the well-being of our livestock, thereby contributing to the flourishing environment we aim to create.

Family-Centric Values: Our farm is not just a place of work; it's a reflection of our deep-rooted commitment to family values. Through sustainable practices, quality assurance, and community engagement, we foster a sense of belonging and support for all our employees and their families.

Local Sustainability and Beyond: While our primary focus is on local sustainability, we recognize the global impact of responsible farming practices. Prairie Dust Inc endeavors to lead by example in promoting environmentally conscious farming methods and ethical production standards, ensuring a brighter future for generations to come.

Supply Chains:

Prairie Dust Inc recognizes the significance of its supply chains in ensuring the prevention of forced labor, child labor, and other human rights violations. We have established relationships with several key suppliers who play an integral role in our business operations. Below, we provide information about some of our most commonly used suppliers and their respective statements regarding modern slavery and human rights practices:

Viterra

- Supplier Statement: [Link to Statement](#)
- Viterra does not accept modern slavery practices in any of our business activities, from our third parties or our suppliers. We have zero tolerance for any form of modern slavery, including forced, compulsory or child labor as per International Labour Standards (ILO) standards, physical assault or harassment within our workplace.

Parrish and Heimbecker

- Supplier Statement: [Link to Statement](#)
- P&H has established an Ethics Line to allow customers, suppliers, and employees to raise concerns about potential misconduct. The Ethics Line is operated by a third-party vendor, providing a secure and confidential method for reporting issues or raising concerns.

Nutrien

- Supplier Statement: [Link to Statement](#)
- Suppliers are required through the contract process to comply with our Supplier Code, which includes expectations for non-discrimination, a commitment to compliance with human rights laws, and the avoidance of forced labor, child labor, and human trafficking. We do not knowingly procure materials from conflict zones, which is prohibited by our Supplier Code.

Bayer

- Supplier Statement: [Link to Statement](#)
- [Link to Modern Slavery Act Statement](#)
- We have no tolerance for violations of human rights, modern slavery, nor human trafficking – we will not ignore them. We are committed to respecting and fostering human rights within our own business activities and in business relations along our value chains.

RBC (Royal Bank of Canada)

- Supplier Statement: [Link to Statement](#)
- As a financial institution with a diversified business model, we have implemented policies and procedures in our operations that are designed to identify key areas of potential impact on human rights. Those areas include human slavery and child labor, as well as human trafficking, which are addressed in RBC's Modern Slavery Act Statement.

BASF

- Supplier Statement: [Link to Statement](#)
- The BASF Group is committed to the abolition of forced labor, slavery, and human trafficking. This statement sets out the steps the BASF Group has taken during the financial year 2021 to ensure that slavery and human trafficking are not taking place in any of its supply chains and in any part of its own business.

Syngenta

- Supplier Statement: [Link to Statement](#)
- Syngenta's Code of Conduct addresses key issues such as hours of work, wages and benefits, child labor, and discrimination. We are committed to upholding these standards throughout our supply chain.

Other companies within our supply chain which have their headquarters situated in Canada or America which adhere to strict governed child slavery and forced labour laws include:

- DTS Power Fluid

- Durabelt
- Taber Home & Farm
- Brooks Industrial Metal

(b) - Policies and Due Diligence Processes

Prairie Dust Inc has developed and implemented policies and due diligence processes related to forced labor and child labor. These are embedded in our broader Responsible Business Conduct (RBC) strategy, policies, and mandate. Our due diligence process aligns with the steps outlined in the OECD Due Diligence Guidance for Responsible Business Conduct.

Legal Compliance: We continue to require every employee and supplier to meet all local and international labor laws and standards—especially those addressing forced and child labor—as a non-negotiable condition of engagement.

Zero-Tolerance Commitment: We continue to maintain a strict zero-tolerance policy against any form of forced or child labor across all our operations and supply chains.

Supplier Screening: We continue to conduct thorough preliminary assessments of potential suppliers to confirm their commitment to ethical labor practices and the prevention of forced and child labor.

Awareness Training: We continue to provide comprehensive training that equips our employees to recognize and report any signs of forced or child labor, empowering them to play a vital role in our due-diligence process.

Reporting Mechanisms: We continue to offer confidential channels through which employees can report concerns about forced or child labor without fear of retaliation.

Continuous Monitoring: We continue to monitor our operations and supply chains on an ongoing basis, enabling us to identify and address potential forced- or child-labor risks proactively.

Immediate Action: We continue to take swift corrective action and launch investigations whenever incidents or concerns related to forced or child labor are reported, without waiting for extensive documentation.

(c) - Forced Labor and Child Labor Risks

In the context of Prairie Dust Inc, a family-run Canadian farm, it's important to recognize the specific risks associated with forced labor and child labor in the agricultural sector. While we remain committed to preventing these risks, it's essential to acknowledge that certain factors within our industry can potentially create vulnerabilities. Some examples of forced labor and child labor risks that could potentially be prevalent in our farming operations include:

Forced Labor Risks:

1. **Seasonal Labor Exploitation:** Agriculture often relies on seasonal labor, which may lead to the exploitation of vulnerable workers. They might face long working hours, substandard working conditions, and inadequate compensation.
2. **Migrant Workers Vulnerability:** Hiring migrant workers can pose risks if proper protections are not in place. Language barriers, unfamiliarity with labor laws, and dependency on the employer for housing and transportation can create conditions conducive to forced labor.
3. **Subcontractor Practices:** Engaging subcontractors for specific tasks may increase the risk of forced labor if these subcontractors do not adhere to fair labor practices. Lack of oversight can result in labor exploitation.
4. **Supply Chain Complexity:** The supply chain in agriculture can be intricate, especially in the procurement of seeds, fertilizers, and other inputs. Ensuring that these suppliers do not engage in forced labor practices is crucial.

Child Labor Risks:

1. **Family-Based Farming:** In family-run farms, children may be involved in various agricultural activities from a young age. While this can provide valuable life skills, it's essential to ensure that their involvement is in compliance with child labor laws and does not jeopardize their education or well-being.
2. **Rural Communities:** Farms often operate in rural areas where limited economic opportunities are available. In such communities, there may be a greater likelihood of children engaging in agricultural work, which needs to be carefully monitored.
3. **Subcontractor Practices:** Similar to forced labor risks, subcontractors who employ child labor can pose significant challenges if not properly managed

(d) - Specific Remediation Actions

Recognizing the importance of addressing forced labor and child labor risks within our operations and supply chains, Prairie Dust Inc has established a comprehensive approach to remediation. Below, we outline specific remediation actions that may be taken in response to identified risks:

Immediate Cessation: In the event that children are identified through affiliations with our operations and found to be involved in activities violating child labor laws, we are committed to promptly discontinuing any such involvement. Our primary concern is to safeguard the safety and well-being of these children.

Education and Support: For children discovered to be engaged in labor-related activities through affiliations with our operations, Prairie Dust Inc will prioritize their educational and holistic development. We will collaborate with local authorities and organizations to ensure they have access to high-quality education, healthcare, and social assistance.

Guardianship and Family Support: Upon detecting child labor within our affiliations, we will take measures to place the child under appropriate guardianship while providing support to their families to enhance their economic circumstances. This includes facilitating access to alternative income opportunities for these families.

Preventive Measures: To proactively prevent future instances of child labor through affiliations, we have established recruitment and verification procedures that ensure individuals of legal working age are engaged. Our training programs for employees and suppliers will underscore the importance of adhering to child labor laws.

(e) - Addressing Income Loss to Vulnerable Families

At Prairie Dust Inc, we are deeply committed to addressing income loss to vulnerable families that may result from our efforts to eliminate the use of forced labor or child labor in our activities and supply chains. We recognize the importance of maintaining the economic stability of these families while ensuring adherence to ethical labor practices. To this end, we have established a series of actions and measures:

Fair Compensation for Wrongdoing: If we are found responsible for any adverse impact leading to income loss for vulnerable families, we commit to providing fair and timely compensation. This includes addressing proven instances of forced labor or child labor within our operations or supply chains.

Non-Discriminatory Practices: Prairie Dust Inc maintains a strict anti-discrimination policy, ensuring that all employees, including vulnerable family members, are treated fairly and without bias. Discriminatory practices based on gender, age, ethnicity, or any other factors are strictly prohibited.

Employment Opportunities: Whenever feasible, we create job opportunities within our operations for vulnerable family members who are willing and able to work. These positions are offered in a non-exploitative manner, with fair wages and decent working conditions.

Access to Resources: Prairie Dust Inc endeavors to ensure that vulnerable families have access to essential resources, including healthcare services, education, and safe housing, which can mitigate the impact of income loss.

Community Development: Prairie Dust Inc is committed to supporting broader community development initiatives. By investing in infrastructure, education, and healthcare facilities within surrounded communities, we aim to create long-term opportunities for economic growth that benefit vulnerable families.

(f) – Training Provided to Employees

At Prairie Dust Inc, we have prioritized the education and awareness of our employees regarding forced labor and child labor issues. Our comprehensive training programs were designed to ensure that our workforce is well-informed and equipped to identify, prevent, and address these critical concerns. These programs included:

- **Legislative Framework:** We provide employees with an understanding of the relevant national and international laws and regulations pertaining to forced labor and child labor.
- **Identification and Risk Assessment:** Employees are educated on how to recognize potential indicators of forced labor and child labor within our supply chains.
- **Ethical Labor Practices:** We highlight the importance of ethical labor practices and the social responsibility of our organization.
- **Reporting Mechanisms:** Employees are informed about internal reporting mechanisms and channels for reporting suspected instances of forced labor or child labor.
- **Community Engagement:** We emphasize the significance of community engagement and positive interactions with the shareholders.

(g) - Assessing Effectiveness

Prairie Dust Inc employs tangible methods to evaluate the effectiveness of our efforts in preventing and reducing the risk of forced labor and child labor in our activities and supply chains. While we do not rely on specific audits, documents, or records that may expose us to legal or privacy concerns, we ensure effectiveness through the following means:

Stakeholder Feedback: We actively engage with stakeholders, including employees, suppliers, and local communities, to gather feedback on our initiatives and to identify potential concerns related to forced labor and child labor.

Internal Reporting Mechanisms: We maintain open channels for employees to report any suspected incidents or issues related to forced labor and child labor, promoting a culture of transparency and vigilance.

Supplier Engagement: We encourage open dialogues with our suppliers to understand their efforts in combating forced labor and child labor and to encourage responsible practices throughout the supply chain.

Training Effectiveness: We assess the effectiveness of our employee training programs through feedback mechanisms. This ensures that our workforce remains informed and vigilant.

Continuous Improvement: We commit to a process of continuous improvement by regularly reviewing our policies and procedures, making necessary adjustments based on the evolving landscape of forced labor and child labor risks.

Incident Response: In the event of any reported incidents or concerns related to forced labor or child labor, we respond promptly, investigate thoroughly, and take corrective actions as required, without the need for extensive documentation.

Conclusion

Prairie Dust Inc is committed to upholding the principles of responsible business conduct and ensuring that forced labor and child labor are not used within our activities and supply chains. We will continue to monitor, assess, and improve our practices in this regard.

Attestation

I, Alfred Lyle Ypma, in my capacity as Director of Prairie Dust Inc, hereby attest to the accuracy and completeness of the information provided in this compliance report for the financial reporting year ending on October 31st, 2024. I affirm that all the details, actions, and measures outlined in this report accurately represent the steps taken by Prairie Dust Inc to prevent and reduce the risk of forced labor and child labor within our activities and supply chains, in compliance with the Supply Chains Act (Bill S-211).

I acknowledge our commitment to responsible business conduct and the paramount importance of ensuring that forced labor and child labor are eradicated from our operations and supply chains. I further confirm that Prairie Dust Inc has taken concrete and diligent measures to assess and manage identified risks, as well as implement remediation actions where necessary, in alignment with the principles of ethical and sustainable business practices.

Furthermore, I assert that Prairie Dust Inc's mission, values, and commitment to the welfare of our employees, suppliers, and the broader community have been accurately represented in this report. We remain steadfast in our dedication to sustainable farming practices, livestock well-being, and the economic stability of vulnerable families.

I understand the significance of this compliance report in promoting transparency, accountability, and responsible business conduct, and I take full responsibility for its contents. It is my sincere belief that Prairie Dust Inc's actions and initiatives detailed herein reflect our unwavering commitment to ethical standards and compliance with the Supply Chains Act.

Signed,



Alfred Lyle Ypma, Director, Prairie Dust Inc

Date: 21/04/2025