

**Concentric Agriculture Inc. and ATP Nutrition Ltd.
Fighting Against Forced Labour and Child Labour in Supply Chains Act
2024 Report**

Background

On May 11, 2023, the Government of Canada passed Bill S-211, “An Act to enact the Fighting Against Forced Labour and Child Labour in Supply Chains Act”. In 2024, Concentric Agriculture Inc. and ATP Nutrition Ltd. meet the criteria to report in accordance with the Act.

Overview

This Fighting Against Forced Labour and Child Labour in Supply Chains Act Report has been prepared in accordance with the Act. This report covers the steps taken by Concentric Agriculture Inc. and ATP Nutrition Ltd to address risks of child and forced labour being used in our operations and supply chains for the period of January 1, 2024, to December 31, 2024.

This statement has been approved by Concentric Agriculture Inc. and ATP Nutrition Ltd.’s Board of Directors.

Steps Taken in the Last Fiscal Year

In 2024 ATP Nutrition took the following steps to prevent and reduce the risk that forced labour or child labour is used in our supply chain:

- Developed an initial plan for addressing forced labour and/or child labour
- Conducted an internal assessment of suppliers and associated risks of forced labour and/or child labour in the organization’s activities and supply chains
- Created the following internal policies:
 - Anti-Forced Labour Policy
 - Responsible Supply Chain Policy
 - Whistleblower Protection Policy
- Created a Supplier Code of Conduct to be provided to material or deemed high-risk suppliers
- Developed an initial plan to train supply chain employees

Corporate Structure and Activities

Our corporate structure has two Canadian companies; Concentric Agriculture Inc. which is a holding company, being the parent in group, with no significant business activities and limited supply chain purchases and ATP Nutrition Ltd. the wholly owned subsidiary of Concentric

Agriculture Inc. that is the operating company that procures materials, produces goods and performs all business operations activities. As Concentric Agriculture Inc. does not have significant business operations or purchases, all the assessments, processes, policies and actions described in this report will be performed at the ATP Nutrition Ltd. level of the corporate structure.

ATP Nutrition Ltd. specializes in manufacturing, logistics, research and development, marketing, and customer support and service. ATP Nutrition Ltd.'s core activities span product development, production, distribution, and client services and support, with a strong emphasis on sustainability.

We operate in multiple sectors, including agriculture inputs and agriculture technology solutions. With headquarters in Oak Bluff, Manitoba, Canada, we maintain a presence in Canada and the United States. This network ensures integration of local expertise with our overarching corporate strategies.

Business Assets and Operations

ATP Nutrition Ltd.'s business assets include our manufacturing equipment, research and development equipment and IT infrastructure. These assets are situated in Oak Bluff, Canada, providing proximity to both material suppliers and major markets. All of ATP's manufacturing activities are performed at this facility.

ATP Nutrition Ltd.'s operations are driven by a commitment to quality and sustainability. Our production processes leverage industry leading technologies, enabling us to meet industry standards while minimizing environmental impact. We invest in employee training and development, ensuring a highly skilled and motivated workforce.

Supply Chain

ATP Nutrition Ltd.'s procurement focuses on sourcing high-quality materials and services. Our supply chain encompasses a network of numerous suppliers across multiple countries, although the majority of our purchases are from North American based suppliers.

The primary categories of goods and services procured by ATP Nutrition Ltd. include Raw Materials, Logistics and Transportation, Technology and IT Services, Professional Services, Facility Operations and Maintenance, and General and Administrative.

In terms of supplier relationships, ATP Nutrition Ltd. focuses on long-term collaborations with key vendors while maintaining some flexibility through a diversified supplier base. This approach mitigates risk and ensures continuity in supply. Additionally, ATP Nutrition Ltd. has developed internal policies for sourcing responsibility, ensuring alignment with our corporate values throughout the supply chain.

Internal Policy Documents

The following internal policy documents guide ATP Nutrition Ltd.'s operations and supply chain management:

1. **Employee Handbook including Code of Conduct** - Sets forth the standards of behavior and principles expected from all employees.
2. **Responsible Supply Chain Policy** - Outlines our commitment to ethical sourcing within the supply chain.
3. **Supplier Code of Conduct** - Defines the ethical, labor, and environmental practices required from our suppliers.
4. **Anti-Forced Labor Policy** - Details our stance against forced labor and our mechanisms for prevention and remediation.
5. **Whistleblower Protection Policy** - Provides channels for employees and stakeholders to report unethical practices without fear of retaliation.

Demonstrating Due Diligence

We demonstrate due diligence in mitigating financial, social, and environmental risks through a framework of policies and processes. Our due diligence approach will include risk assessments across operations and supply chains to identify any vulnerabilities, particularly in high-risk regions or industries. These assessments will be supported by more detailed evaluations of material or high-risk suppliers.

Our leadership demonstrates commitment by integrating ethical considerations into corporate decision-making. Board-level reviews of risk management strategies and performance metrics ensure alignment with our values and objectives. This top-down approach fosters accountability and helps to embed a culture of continuous improvement, ensuring that we meet regulatory and ethical standards.

Risk Assessment and Management

Risk of Forced Labour in the Business and Supply Chain

Based on our current understanding and practices, certain parts of the business and supply chain are more susceptible to the risk of forced labor. The highest-risk area is raw material sourcing, especially from overseas suppliers.

Our mitigation strategy involves supplier vetting. We will require all suppliers that we make material amounts of purchases from to adhere to our code of conduct, which emphasizes fair labor practices.

Modern Slavery Remediation Measures

Although we have not identified any instances, if we were to discover non-compliance or ethical infringements within our operations or supply chain, we would take immediate and decisive action. Our approach would include the following steps:

1. **Investigation:** Upon receiving reports of potential non-compliance, we will conduct a thorough investigation to assess the severity and scope of the issue. This will involve collaboration with internal teams, relevant stakeholders, and external parties (if necessary).
2. **Remediation:** For any confirmed cases, we will work closely with the offending party to implement corrective measures. This may include changes to labor practices, enhanced training programs, and stricter adherence to our code of conduct.
3. **Enforcement:** In cases where remediation fails or the issue is severe, we reserve the right to terminate contracts with non-compliant suppliers. We would escalate matters to relevant authorities where applicable.
4. **Continuous Improvement:** Insights gained from addressing any non-compliance will be integrated into our policies and processes to prevent recurrence.

Loss of Income – Remediation Measures

We are not aware of any loss of income to vulnerable families in our supply chain; as such no actions have been taken in this area.

Training

ATP Nutrition Ltd. will equip our supply chain employees with the knowledge and tools needed to understand and mitigate the risks of forced or child labor. As part of this commitment, we will implement training programs that may cover ethical labor practices, identifying red flags in supply chains, and effective responses to potential risks. These training sessions will be mandatory for all ATP Nutrition Ltd. employees involved in procurement, supply chain management, and compliance functions.

Assessing Effectiveness

To strengthen our efforts in addressing forced and child labor, ATP Nutrition Ltd. will engage in activities aimed at policy and process improvement. Reviews of our ethical sourcing policies and supply chain management processes will be conducted by our teams. Any significant learnings from the application of current policies and processes will be shared with the ATP Nutrition Ltd. and Concentric Agriculture Inc. Boards of Directors and they will also be used to inform future changes in processes and policies. We believe that these reviews will ensure our practices remain aligned with global standards and evolving regulations.

Board of Directors 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.

Russell Patterson

CEO Concentric Agriculture Inc. and President, CFO & COO ATP Nutrition Ltd.

May 29, 2025



I have the authority to bind Concentric Agriculture Inc. and ATP Nutrition Ltd.