



Modern Slavery Report

2025-26

Purpose

In accordance with the *Fighting Against Forced Labour and Child Labour in Supply Chains Act* (the “Act”), this report is filed on behalf of The Saskatchewan Research Council (SRC) for the 2026 reporting period and covers activities from April 1, 2025 to March 31, 2026 (FY 2025-26).

SRC’s Structure and Activities

SRC is a Treasury Board Crown Corporation of the Government of Saskatchewan and is governed by *The Research Council Act*. It is overseen by an independent Board of Directors and is accountable to the Minister Responsible for SRC, who is a Government of Saskatchewan Cabinet Minister. The majority of SRC’s revenue comes from fee-for-service work and it also receives investment from the Government of Saskatchewan, which is determined on an annual basis.

SRC is Canada’s second largest research and technology organization with 1,400 clients in 16 countries around the world. With more than 400 employees and \$83 million in annual revenue (FY 2024-25), SRC helps clients from across the world solve technology problems, make improvements, seize opportunities, maintain competitiveness, increase productivity and develop new markets. Home to several state-of-the-art laboratories and industrial testing facilities, SRC offers reliable, professional technology solution services. SRC also has dedicated labs for contract research, development and demonstration, as well as pilot plants that allow clients to test and refine their technologies.

SRC’s revenue-generating activities are primarily services and SRC focuses its efforts on Saskatchewan’s key industries, as follows:

Agriculture. SRC delivers a broad portfolio of bioprocessing, climate, environmental analyses and agriculture product testing services to support commercial and small-scale farmers, communities, equipment manufacturers, associations and more.

Energy. SRC provides technology evaluation and development services to help industries broaden their energy mix, improve existing operations and navigate the energy transition. SRC supports the oil and gas industry with services that improve efficiencies and energy transition initiatives.

Environment. SRC develops and provides sustainable solutions environmental challenges faced by industry, government and communities. Its services help industries reduce adverse environmental impacts and monitor, measure, model and report on their environmental performance.

Mining. SRC provides quality services across every stage of a mining project, from exploration to closure, for a wide range of metals and minerals. SRC offers technological solutions and services, including geoanalytical testing and automated mineralogy, bench-to-pilot scale testing, process optimization and validation, modelling, monitoring and remediation.

Rare Earth Elements. SRC is constructing North America's first fully integrated, commercial-scale rare earth processing and metals facility. Once fully operational, the Rare Earth Processing Facility will encompass monazite processing, hydrometallurgy processes and metal smelting capabilities to support a complete rare earth supply chain.

Although SRC has clients outside of Canada, its operations and activities for FY 2025-26 were primarily carried out within Canada. SRC had limited activities involving the production and distribution of goods outside of Canada in FY 2025-26, and our import activities were limited to importing goods when a purchase meets SRC's best criteria described in the SRC Supply Chain section below.

SRC Supply Chain

SRC's goal is to serve its clients' needs by obtaining the best value in supply chain management. We work with clients and suppliers to add value through strategic relationships with best-in-class suppliers, reducing or avoiding costs and creating efficiency and effectiveness throughout the procure-to-pay process.

As an entity of the Government of Saskatchewan, SRC is dedicated to strengthening Saskatchewan's economy. To achieve this goal, SRC has committed to trade agreements which provide fair and equal access to procurement. These agreements also open up opportunities to Saskatchewan suppliers and trading partners. In addition, SRC has an inclusive procurement strategy that includes Indigenous vendors and businesses. This strategy is part of the overall process of determining the best value which supports, grows, and strengthens Saskatchewan's economy. Saskatchewan's Indigenous population is proportionately high, and including Indigenous businesses in our strategy ensures that the province's economy is driven by the innovation found within the supply chain.

Purchases may be sourced outside of Saskatchewan or Canada where a product cannot be sufficiently sourced within Canada and/or a supplier meets our best value criteria (See *Our Supply Chain* under *Potential Risk* below). In FY 2025-26, 92.79% of SRC's procurement spend was with Canadian suppliers, while 4.25% was with suppliers in the United States. The remaining 2.96% was sourced worldwide.

Risk Assessment

During FY 2025-26, we continued to assess our activities and supply chain to identify modern slavery risks. This assessment included the following steps:

- Ongoing assessment of current policies and processes to identify gaps, and
- Ongoing assessment of risks of forced labour and/or child labour in our current supply chain using the Global Slavery Index and the List of Goods Produced by Child Labor or Forced Labor¹ published by the Bureau of International Labor Affairs.

¹ <https://www.dol.gov/agencies/ilab/reports/child-labor/list-of-goods>

Potential Risk

Our preliminary risk assessment has not changed since FY 2024-25 and SRC continues to identify the risk of modern slavery occurring within our operations as low.

Our People. SRC's main business operations continue to be in Canada, which is ranked as a low-risk jurisdiction by the Global Slavery Index.² Canada is also a country with strong legislative human rights protections. SRC continues to comply with all such human rights and employment legislation applicable to our operations. In doing so, all employee recruitment activities continue to be centrally led by our HR team, which allows for a consistent and fair process. In addition, mechanisms and controls continue to be in place to ensure that all employees are recruited voluntarily and that they have ways to seek assistance and report potential concerns when needed.

Our Supply Chain. Although our supply chain primarily continues to consist of suppliers within Canada, we did have some suppliers in other countries in FY 2025-26. Our preliminary assessment of our supply chain for FY 2025-26 based on geographic location and product risk using the Global Slavery Index and the List of Goods Produced by Child Labor or Forced Labor focused on the countries from which SRC sources goods. This assessment identified Brazil, India and China as being higher risk source countries.

SRC procured monazite from a vendor in Brazil during the current fiscal year. During the fiscal year, a purchase order was issued to a vendor in Canada for chemical supplies produced in China as comparable materials are not readily available within Canada. This product has not yet been received as of the end of the reporting period. SRC also received material from a United States supplier, with material sourced from India, where such material is highly specialized and not easily sourced within Canada.

Additional mitigation steps have been implemented in our due diligence process to address these risks (see Client and Supply Chain Due Diligence below).

Mitigating Steps

In FY 2025-26 the following steps were taken to prevent and reduce the risk that forced labour or child labour is used in its operations and supply chain:

Client and Supply Chain Due Diligence. All SRC suppliers and clients continue to be vetted through our due diligence process which uses Dow Jones Risk and Compliance and local jurisdictional corporate registries to verify the integrity of each supplier and client. We have developed and implemented guidelines to ensure higher risk suppliers and clients are vetted more frequently through this process. Steps have also been taken to refine procurement processes to ensure due diligence reviews continue to be completed early in the process.

SRC undertook supply chain mapping activities for the REPF to better understand the flow of materials and identify potential areas of elevated risk within the supply chain. This mapping supported the identification of higher-risk jurisdictions and informed SRC's ongoing due diligence and risk mitigation efforts.

² [Global Slavery Index by Country 2024 \(worldpopulationreview.com\)](https://www.worldpopulationreview.com/global-slavery-index-by-country-2024)

SRC also conducted an additional site visit with the monazite supplier in Brazil as part of its due diligence activities to support a better understanding of the supplier's operations and associated risks.

Policies. In FY 2023-24 SRC updated current policies and processes for identifying, addressing, and prohibiting the use of forced labour and/or child labour in the organization's activities and supply chains. SRC continues to monitor and enforce these policies and processes this fiscal year.

Supplier Contracts. In FY 2023-24 SRC included robust anti-forced labour and/or child labour contractual clauses in its supplier contracts. In FY 2025-26 SRC continues to monitor best practices in this area and look for ways to improve mitigations as they apply to our supplier contracts.

Training and Awareness. SRC initiated training for members of its due diligence team, including onboarding training for a new team member and refresher training for existing members on identifying modern slavery risks in supply chains. SRC will continue to evaluate opportunities to expand awareness and training related to modern slavery risks in future reporting periods.

Remediation Measures

SRC did not identify any instances of forced labour or child labour in its operations or supply chains during FY 2025-26. As a result, no remediation actions were required during the reporting period.

SRC did not identify any situations during FY 2025-26 where measures taken to address forced labour or child labour resulted in the loss of income to vulnerable families. Accordingly, no remediation actions were required.

Assessing Effectiveness

To ensure continuous improvement, SRC will continue to use the following methods to assess the effectiveness of the above-noted mitigating steps:

- Regularly review our policies and processes, including as it relates to forced labour and child labour.
- Regularly review and update measures that impact modern slavery risk.
- Track relevant performance indicators such as:
 - the number of companies flagged in our due diligence process and the resulting mitigation steps taken.
 - numbers of cases reported and solved through grievance mechanism.

Looking Forward

SRC is committed to identifying modern slavery risks and continuing to improve the ways to address those risks. Looking forward to next fiscal year, SRC will strive to:

- Enhance its annual Code of Conduct acknowledgement process to include review of due diligence and human rights policies, supporting increased awareness of modern slavery risks across the organization.
- Continue to expand supply chain mapping activities, with a focus on higher-risk materials and suppliers, to further support the identification and assessment of potential risk areas within the supply chain.
- Broaden training and awareness initiatives for employees involved in activities related to international suppliers, including procurement, due diligence and supply chain management functions.
- Incorporate additional risk screening for suppliers located outside of Canada, including consideration of country-level risk indicators such as the Global Slavery Index, to inform SRC's due diligence and risk assessment processes.
- Continue to regularly review our current due diligence process and guidelines and introduce improved mechanisms for risk level identification and continuous monitoring.

Attestation

This report was approved by SRC's Board of Directors on May 12, 2026. 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 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.



Mike Crabtree, President and CEO
I have the authority to bind SRC