



Westshore Terminals

Modern Slavery Report 2023

This Modern Slavery Report (the “Report”) addresses the period from January 1, 2023 to December 31, 2023 and has been prepared in compliance with Bill S-211, *An Act to enact the Fighting Against Forced Labour and Child Labour in Supply Chains Act and to amend the Customs Tariff* (Canada) (the “Act”).

This initial Report is made on behalf of **Westshore Terminals Investment Corporation (“Westshore”)**, **Westshore Terminals Limited Partnership** and **Westshore Terminals Ltd.** and is a joint report.

I. INTRODUCTION

Forced labour and child labour, each as defined in the Act, are crimes and serious violations of human rights. Westshore 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 the 2023 fiscal year 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 Westshore or of goods imported into Canada by Westshore. **II. CORPORATE OVERVIEW AND SUPPLY CHAINS**

Westshore is a British Columbia limited partnership (BC Registration #LP0390661). It has as its general partner Westshore Terminals Ltd. (Business #853833978 BC0001). The common shares of the general partner are held by Westshore Terminals Investment Corporation located at 1800 – 1067 West Cordova St., Vancouver, BC V6C1C7 (#BC0891647) (TSX:WTE).

Westshore is a bulk deep water bulk coal/coke loading export terminal operating on leased land from the Vancouver Fraser Port Authority, located in Delta, BC. Westshore's head office is located at 1 Roberts Bank, Delta, British Columbia V4M 4G5. Westshore loads product to over 250 vessels in any given year with an annual volume in the range of 20 to 30 million tonnes per year. Westshore operates 3 shifts per day, 7 days per week, year-round. Storage facilities are open air stockpiles. Westshore does not at any time take ownership of the coal/coke, it simply stores/loads such according to shipping schedules arranged by its customers. The terminal has been in operation since 1970, and employs 272 full-time personnel.

Westshore is currently engaged in a major product diversification project to provide potash export terminal facilities for BHP's Jansen underground potash mine under development in Saskatchewan. BHP's investment is roughly \$1 billion, and the start of potash export activities is anticipated to commence sometime in 2026.

Total procurement spend for each of 2022 and 2023 was in the range of \$25 - \$30 million in each year, excluding major capital expenditure items. Some of the goods and services procured included conveyor belting (Germany, Japan, Italy), coal conveying and pile management chemicals (USA), rail maintenance and repair work (Canada), diesel and gas (Canada) and industrial scaffolding services (Canada). The top ten commodity suppliers in each of the two years accounted for at least 50% of the total annual indicated spend. There are roughly 300 suppliers on average in the supply chain, the majority of which are located in Canada.

III. POLICIES AND DUE DILIGENCE PROCESSES

Westshore has a number of policies and provisions associated with its employees, contractors and supply chains, domestically and globally.

- The Occupational Health and Safety Policy (enacted in January 2015) delineates health and safety standards for all employees, contractors and workers and encourages all to contribute to the company's health and safety program.
- Westshore Suppliers Code of Conduct (enacted in 2021) is applicable to all suppliers whether local, national or international. Suppliers must comply with all local and national laws and regulations regarding employment practices, benefits, health and safety and workplace harassment/violence. Suppliers must strive to provide a workplace free of direct or indirect discrimination, harassment, or bullying.
- The Schedule for Potash Project – Minimum Requirements for Suppliers (enacted in 2021) deals, in part, with child labour, forced or compulsory labour, human trafficking, workplace health and safety, wages, penalties, working hours, non-discrimination and diversity.
- Westshore Terminals Investment Corporation, Code of Conduct (effective on March 11, 2022) which directs employees to comply with all laws and regulations, including applicable human rights legislation and directs all employees to conduct themselves ethically and legally in all their business dealings.

Westshore has provisions in its standard form contract/procurement documentation that all suppliers and contractors must comply with all applicable laws and regulations.

On the operational side, Westshore has established Key Risk Performance Indicators (KPI's) in various areas of its operation covering core areas such as loading/dumping rates, incident/hazard reporting and environmental issues such as dusting events.

From a financial and supply chain perspective, costs are monitored closely and reported quarterly and annually, and suppliers' financial stability and ethics, including labour practices, environmental responsibility and compliance with laws and regulations, are reviewed.

IV. RISK ASSESSMENT AND MANAGEMENT

The suppliers, contractors, engineers, and technical services that Westshore primarily uses are located in Canada, the United States, Japan and Europe. Capital project equipment and construction activities can involve suppliers and contractors internationally. International activities would appear to have a higher risk of forced or child labour based on our current understanding and practices. When dealing with overseas manufacturing for project related items, there are frequent factory visits and inspections that are carried out by Westshore or third-party quality control experts. Prequalification inspections and capability assessments are also performed.

V. MODERN SLAVERY REMEDIATION MEASURES

If there was an instance of non-compliance or ethics infringement related to a supplier or contractor then immediate steps would be taken to address the situation and rectify same. This would include written communication with the party in question to determine the extent of noncompliance or ethics

infringement and a written request to immediately address same. Steps would be taken to ensure contractual obligations were adhered to, including compliance with all applicable laws and employment standards. In the event those activities were not successful, there would be an immediate investigation to explore viable alternatives to transfer the activities in question to a compliant third-party provider. Communication with appropriate regulatory/enforcement bodies regarding the incident would follow.

No forced labour or child labour incidents were identified in our activities and supply chains in 2023.

VI. LOSS OF INCOME – REMEDIATION MEASURES

In such a given event, the impact on those affected by the eradication of forced or child labour would be assessed and quantified. Methods to address improvements and changes to practices would be investigated. Assistance and appropriate financial contribution to a third party (Program to End Modern Slavery; Anti-Slavery International or Walk Free), as applicable, would be considered.

No loss of income from forced labour or child labour was identified in our activities and supply chains in 2023.

VII. TRAINING

In 2023, we did not have specific, formalized training in place to understand and mitigate the risk of forced labour or child labour. These policies and resources are currently in development for our team members. As awareness of this issue grows, we are seeing a significant increase in outreach from various parts of the organization for resources and information on how to make procurement decisions that avoid these potential human rights violations in the supply chain.

VIII. ASSESSING EFFECTIVENESS

During calendar year 2023, Westshore has not taken any actions to assess its effectiveness in preventing and reducing risks of forced labour and child labour in their activities and supply chains. Actions needed to properly assess effectiveness in preventing and reducing risks is currently under review and development.

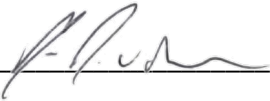
IX. APPROVAL AND ATTESTATION

This Report was approved pursuant to paragraph 4(b)(i) of the Act 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.westshore.com.

In accordance with the requirements of the Act, and in particular section 11 thereof, we attest that we have reviewed the information contained in this Report for Westshore. Based on our knowledge, and having exercised reasonable diligence, we 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.

This Report is approved by the following:

Company: **Westshore Terminals Ltd.**

Signature:  _____

Printed Name: Glenn Dudar _____

Title: Vice-President and General Manager _____

Date: 5/29/2024 _____