Modern Slavery Report 2025
Sultran Ltd. and Pacific Coast Terminals Co. Ltd.

1. Introduction

This Modern Slavery Report (the "**Report**") is prepared by Sultran Ltd. ("**Sultran**") and its wholly owned subsidiary Pacific Coast Terminals Co. Ltd. ("**PCT**") (collectively with Sultran, the "**Enterprise**", "**we**", "**us**" or "**our**") for the fiscal year ending December 31, 2025 ("**Fiscal 2025**") as required by the *Fighting Against Forced Labour and Child Labour in Supply Chains Act* (the "**Act**"). This report sets out the steps we have taken to prevent and reduce the risk that forced labour or child labour is used at any step in our business and supply chains.

2. Organization and Supply Chain Structure

Sultran is a Canadian privately held corporation incorporated under the Alberta *Business Corporations Act* and operates from its offices in Calgary, Alberta. PCT is also a privately held corporation incorporated under the British Columbia *Business Corporations Act*. PCT is a tidewater terminal located in Port Moody, British Columbia. PCT was acquired by Sultran in 1982 and remains a wholly owned subsidiary of Sultran. Combined these legal entities make up the Enterprise.

Sultran provides logistical services to enable the export of formed sulphur by its contracted producers/marketers. These services start with the assignment of the Enterprise's fleet of owned railcars to various third party-owned and operated sulphur forming facilities in Alberta and British Columbia. Sulphur is loaded into the railcars and then transported via either Canadian rail carrier CN or CPKC to either PCT or a contract third party-owned terminal located in North Vancouver. Upon arrival the sulphur is either temporarily stored and then lifted to vessel or loaded directly to a vessel. At all times, production, sales, and ownership of the sulphur remains with each producer/marketer. We contract with Canadian based suppliers to manage product safety and quality. We procure Canadian based supplier services to support our transport and logistical efforts through a small number of suppliers who we have established long term contractual relationships and engage with in an ethical and socially responsible way. All logistical activities are services conducted in Alberta and British Columbia.

Through PCT, the Enterprise also contracts with various companies to enable the receipt, temporary storage, and vessel loading of three other commodities: potash, canola oil, and ethylene glycol. All of these commodities are produced in Canada, delivered through customer managed contracts by rail and offloaded to PCT either directly to vessel or to temporary storage for subsequent vessel loading. PCT's operations are highly automated and use complex machinery and equipment to carry out its services, ultimately loading the commodities into vessels contracted by the

respective producer. At all times, ownership from production to sale of these commodities remains with the respective producer.

The Enterprise maintains an active inspection, repair, and maintenance program for its fleet of sulphur railcars. Inspections and maintenance are conducted through Canadian based third-party home-shops. Railcars used in logistical services are used coal cars sourced and refurbished in the USA and then imported into Canada using a customs and duty broker. During 2025, Sultran purchased a set of US based used railcars, arranged for an established USA repair facility to refurbish the railcars, and then imported the rail cars into Canada. The Enterprise has a long-standing business relationship with the US facility and visited their two locations during the refurbishment process. The refurbishment process involved tear down and reassembly of the railcars using components sourced by the US facility. There were no concerns identified regarding forced or child labour.

The Enterprise also maintains a proactive maintenance and repair program to ensure 24/7 operational capacity of its terminal facility, PCT. The technical nature of the equipment results in the Enterprise periodically importing components from outside Canada to maintain and repair its terminal operating equipment. Importation of terminal components is managed through a customs and duty broker and sourced from distributors mostly located in the USA and Europe.

The Enterprise maintains a proprietary integrated supply chain software package that links critical service providers from production facility to tidewater terminal. Development and maintenance of the package utilizes hardware and software sourced in Canada.

3. Policies

The vision, purpose and values of the Enterprise are outlined below:

a. **Vision:** Leading the way in global logistics for essential commodities. Your partner for a sustainable future.

b. **Purpose:** Bulk.Logistics.Simplified

c. **Values:** Integrity, Adapt & Evolve, Service Excellence, Results-Driven

The Enterprise is committed to embedding human rights considerations into its policies, governance frameworks, and decision making. These policies set a high bar for us, our suppliers, and our selling partners, 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 supply chains and by suppliers working for us. Outlined below is an overview of our key policies that address this issue:

Code of Conduct

A Code of Conduct is signed by every employee annually. The Code of Conduct notes that each employee holds a position of trust and that they represent the Enterprise through their relations with customers, suppliers, other employees, competitors, governments, shareholders, and the general public.

Each employee is entrusted to act in a manner that represents Enterprise's reputation for honesty, integrity, and faithful performance of its undertakings and obligations.

Implicit in this Code of Conduct is the requirement to follow ethical business practices, comply with regulatory obligations, and maintain awareness of issues related to the general public.

Procurement Policies

The Enterprise's management is responsible for monitoring and ensuring employees understand the Code of Conduct and Corporate Policies and Procedures. Employees are responsible for their compliance.

We maintain a stringent zero tolerance policy towards illegal activity under our Anti-bribery and Corruption policy. Use of forced or child labour would directly fall under this Policy and would require immediate action as outlined in the policy.

Our Purchasing Policy requires procurement to be conducted while maintaining the highest ethical standards and in the best interest of the company.

Our Environmental Conservation Policy further supports these obligations.

We have not prepared specific policies and procedures with respect to forced or child labour due to the limited scope of the perceived risk. We expect and rely on our suppliers to comply with all regulatory requirements including those that pertain to forced labour and child labour.

Delegation of Authority

In late 2025, the Board of Directors approved and the Enterprise implemented an updated Delegation of Authority policy and matrix. This policy ensures a disciplined structure regarding capabilities to commit, authorize and approve business activities with service providers and customers. This policy supports Enterprise oversight of service provider engagements and will help prevent the risk of engaging a supplier connected with the use of forced or child labour.

Whistleblower Policy

Our Whistleblower Policy requires our employees and contractors to report any breaches of the Enterprise Code of Business Conduct and Ethics Policy which include financial or corporate misconduct. Our Enterprise Whistleblower policy includes the

use of a confidential third-party portal. The third-party line is available to all staff on a 24/7 basis.

We continue to assess the usefulness of a distinct Enterprise-wide Supplier Code of Conduct. A second review designed to assess the practicality of this initiative given our requirements, service provider composition and contracting practices has been initiated including incorporation of the revised delegation of authority matrix. Ensuring an effective and practical process remains an objective and will ultimately require Board approval. The timeline is now expected to be late Q4-2026.

4. **Risk Management Processes**

We consider the respect of human rights to be a fundamental corporate responsibility and a value governing all our activities. We place the highest importance on respecting human rights while conducting our business activities everywhere we operate. We expect the same of our business partners.

We continue on an ongoing basis the process of identifying risks of use of forced labour or child labour in our supply chains. We have identified the following factors that have bearing on our risk of forced or child labour in our supply chain: the industry we operate in (transportation and storage of commodities produced in and exported from Canada), our services provided to customers (logistics and tidewater terminal), our general nature of supplier relationships (long-term contracts and/or stable supplier base), our supplier locations (majority Canadian).

PCT and Sultran logistics import specific equipment and parts to maintain our own operational capacity. We assess risk based on the types of products we import, the locations of our suppliers (Europe and USA) paying particular attention to whether they are in areas where jurisdictional risks including conflict, poverty, and enforcement of human rights standards are involved.

The Enterprise views the overall risk of forced labour and child labour in its business and supply chains as low. Our 2025 risk assessment included a review of our Canadian-based suppliers and segregation between services and supplies. The 2025 assessment included a review of import documents, which identified a small set of international component suppliers (Europe and USA) where PCT was the importer of record. Based on available information, the 2025 risk assessment indicated PCT suppliers carry low risks of exposure to forced and child labour practices. when considering the above listed factors, amongst others.

Sultran logistics imported a set of refurbished railcars from the USA in 2025. The railcars were located in the USA and purchased from a USA owner. Refurbishment was carried out at an established USA repair facility. The Enterprise has a long-standing business relationship with that US facility and visited their two locations during the refurbishment process. The refurbishment process involved tear down and reassembly

of the railcars using components sourced by the USA facility. There were no concerns identified regarding forced or child labour.

That said, we do not supervise or control our suppliers and despite our effort to take increased actions to ensure our entire supply chain is free of any forced labour and child labour, there may nonetheless remain a risk of forced labour or child labour on products we source from third parties where we may not have complete visibility into their supply chain. We assess the risk of forced labour and child labour in our supply chains as low given the type and complex nature of the components we require to ensure the maintenance and repair of our facility. We similarly assessed the risk of forced or child labour being involved in Sultran's purchase, refurbishment, and import of railcars in 2025 to be low as the rail cars themselves, materials to refurbish, and labour to complete the refurbishment were all sourced in the USA (which generally has existing human and labour rights legislation and is considered low-risk in the Global Slavery Index) and representatives of the Enterprise visited the refurbishment facilities twice during the process.

Through the course of our assessment, we determined that the risk of forced labour and child labour in our business and supply chains remains low and that our largest risk factor is related to PCT's importation of goods for use in our terminal operational activities during Fiscal 2024. In Fiscal 2024 Sultran's logistical services also imported goods (railcars) from a USA supplier for use in transport operations

5. Due Diligence and Remediation Processes

Although we have not identified any forced labour or child labour in our activities and supply chains, we remain dedicated to continuous monitoring and assessment. We are committed to ensuring ongoing awareness of the impacts of changes in our business activities and our supplier and customer base. The Enterprise continues to take steps to standardize and update various processes including procurement. We expect third parties with which we work to adhere to ethical business principles and values similar to our own and to comply with all applicable laws and regulations.

The Enterprise is committed to implementing strategies and processes to better identify, prevent, and reduce the risks that forced labour or child labour are used within our business and supply chains.

In general terms, we took the following steps during Fiscal 2025 to prevent and reduce the risk of forced labour or child labour in our operations and supply chains:

- Reviewed business activities to identify changes to previously identified risks of forced labour and child labour in our operations and supply chains
- Ensured our Code of Conduct was reviewed and signed by all staff
- Enforced our customer and supplier obligations under our Environmental Conservation Policy

- Verified there were no Whistleblower Policy filings
- Implemented our Delegation of Authority Policy and matrix
- Reviewed Enterprise active suppliers to assess risk of forced or child labour
- Review of their public documentation related to or specific to forced and child labour submissions
- Maintained our current purchasing policies and practices involving supplier assessments
- Monitor public information sources for supplier forced and child labour concerns
- Assess applicability and implementation of an Enterprise Suppler Code of Conduct
- When appropriate, visit supplier locations.

No instances of forced labour or child labour were identified in our operations or supply chains in Fiscal 2025 and as such we have not taken any measures to remediate any forced labour and child labour or the loss of income to the most vulnerable families arising from such measures.

Although we are not currently aware of any forced labour and child labour in our business and supply chains, if we were to discover any forced labour and child labour in our business and supply chains, we would consider taking any or all of the following measures, amongst others, to immediately remediate such forced and child labour:

- suspension or termination of a supplier agreement; and
- consider further actions to prevent forced labour and child labour and associated harms from reoccurring.

6. Employee Training

Our employees receive rotational training on policies during each fiscal year. All new employees must complete a mandatory onboarding program that includes review and signing of our Code of Conduct, training on our values and policies, and how to report any corporate indiscretion or behaviour via the Whistleblower Policy.

The procurement function within our Enterprise is distributed throughout the transport logistics, terminal, and corporate services functions. Procurement involves a wide range of activities, from long-term contractual arrangements to short-term service agreements. To ensure Enterprise-wide knowledge, we use Enterprise staff meetings and town halls to address policy topics such as supply chain exposures to forced labour or child labour These meetings are scheduled throughout the year. Procurement processes are discussed at an enterprise-wide event during the year. Updates received from professional advisors are reviewed and shared as necessary.

7. Assessing Effectiveness

Our policies and business practices embody the requirement for cooperation and acceptance from all our business partners and suppliers. We expect each business partner, customers, and suppliers, to meet the highest standards of quality and ethics,

as set out in our policies and codes of conduct, and as discussed elsewhere in this Report.

As part of our governance processes, we review any concerns raised through our Whistleblower Policy and other informal mechanisms of employee feedback. To date, no concerns or complaints regarding forced labour and child labour in our business or supply chains have been identified. All staff signed the Code of Conduct and there were no matters of non-compliance with the Enterprise Environmental Conservation Policy or Delegation of Authority Policy and Matrix identified during the year.

The Enterprise reviews its policies on an annual basis. We anticipate minimal change in our business activities and related customer and suppliers. Accordingly, we continue to believe our risk of exposure to forced labour and child labour remains low given the narrow scope of our activities. The Enterprise has not assessed the effectiveness of its policies specifically with respect to identification of forced or child labour practices.

9. Attestation

In accordance with paragraph 11(4)(b)(ii) of the Act, this Report was approved by the Board of Directors of Sultran Ltd. on May 27, 2026, on behalf of itself and its wholly owned subsidiary PCT and has been submitted to the Minister of Public Safety and Emergency Preparedness in Canada. This Report is also available on Sultran Ltd.'s company website at **www.sultran.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 Sultran Ltd. 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.

Wade Leslie
President & CEO
May 28, 2026

I have the authority to bind Sultran Ltd.