

TIDEWATER RENEWABLES LTD.
Modern Slavery Report

Introduction

Tidewater Renewables Ltd. (“**Tidewater Renewables**” or the “**Company**”) is committed to ensuring that its supply chains are free from forced labour and child labour. This report is made by Tidewater Renewables pursuant to Canada’s *Fighting Against Forced Labour and Child Labour in Supply Chains Act* (the “**Act**”) for the financial year ended December 31, 2023 (the “**Reporting Period**”).

Steps to Prevent and Reduce Risks of Forced Labour and Child Labour:

In general terms, Tidewater Renewables took the following steps during the Reporting Period and the first quarter of 2024 to prevent and reduce the risks of forced labour and child labour being present in our business and supply chains:

- began the process of mapping our supply chains;
- conducted an initial internal assessment of the risks of forced labour and/or child labour in our activities and supply chains; and
- arranged for employee training on the topics of forced labour and child labour.

Details of the above actions are set out in this report.

Activities, Structure and Supply Chain

Activities

Tidewater Renewables is a multi-faceted energy transition company. The Company is focused on the production of low-carbon fuels, including renewable diesel or “**HDRD**” (hydrogen-derived renewable diesel), renewable hydrogen and renewable natural gas, as well as sustainable aviation fuel, sustainable marine fuel, and carbon capture through future initiatives. The Company was created in response to the growing demand for renewable fuels in North America and to capitalize on its potential to efficiently turn a wide variety of renewable feedstocks (such as tallow, used cooking oil, distillers corn oil, soybean oil, canola oil and other biomasses) into low carbon fuels.

Tidewater Renewables focuses on three operating business units:

1. Renewable Diesel (which includes future fuels such as sustainable aviation fuel and sustainable marine fuel);
2. Renewable Hydrogen; and
3. Renewable Natural Gas (“**RNG**”)

Structure

Tidewater Renewables is incorporated under the *Business Corporations Act* (Alberta) and its shares are listed on the Toronto Stock Exchange. The Company is headquartered in Calgary, Alberta. Tidewater Midstream and Infrastructure Ltd. (“**Tidewater Midstream**”) is a significant shareholder of Tidewater Renewables, with a 68.68% ownership stake as at December 31, 2023.

The majority of Tidewater Renewables’ assets, including all of the Renewable Diesel production assets, are located in British Columbia and in relatively close proximity to California, Oregon and Washington —

which are current jurisdictions in Canada and the United States that have low-carbon fuel standards legislation in place.

As of December 31, 2023, Tidewater Renewables employed approximately 37 permanent employees and three contractors and consultants in its operations (collectively, “**Staff**”). All of our Staff are based in Canada.

Our Staff largely consists of corporate and administrative services and engineers. Other personnel, such as facilities operators, are employed by Tidewater Midstream.

Supply Chains

Tidewater Renewables does business with a range of suppliers, sourcing materials and services primarily from suppliers located in Canada and the U.S. We strive to work with suppliers that operate legally, ethically and responsibly.

During the Reporting Period, the following categories of goods and services accounted for our highest procurement spend:

- Rimrock RNG facility project: regulatory services, hydroseeding services and seeds.
- HDRD project: reactors, vessels, pumps and boilers; engineering services.
- Operations: Renewable feedstocks such as canola oil.

Goods and services for the HDRD project are procured for Tidewater Renewables by Tidewater Midstream. Goods and services for other projects, as well as for corporate and administrative related matters, are procured directly by Tidewater Renewables.

Other than in respect of the HDRD project, the Company typically only works with Canadian and U.S.-based suppliers. For the HDRD project, the majority of the suppliers are North American (Canada, U.S. and Mexico), with some specialty materials supplied from Europe, China and South Korea. In addition, during the Reporting Period we received engineering work from India.

Corporate Governance, Policies and Due Diligence Procedures

Tidewater Renewables recognizes that we must carry out our business activities in an ethical, legal and responsible manner. Accordingly, we expect our Staff and suppliers to uphold our corporate values.

The Board of Directors of Tidewater Renewables oversees the *Code of Ethics and Business Conduct* (the “**Code**”). Our Code includes a commitment to protecting human rights, to contributing to the social and economic well-being of the communities in which the Company has a presence and to promoting an ethical business culture. The Code further provides that Management has both a legal and a moral responsibility to ensure that the Company is not complicit in abuses of human or other legal rights, and that every supervisor and senior employee has specific obligations in these areas.

The Code also includes a commitment to providing a healthy and safe workplace in compliance with applicable laws, rules and regulations. Employees are required to immediately advise their managers of any workplace injury or any circumstance presenting a dangerous situation to them, other co-workers or the community in general, so that timely corrective action can be taken. In addition, the Code provides that the Company will not tolerate harassment of its employees, customers or suppliers in any form.

The general terms and conditions that apply to our purchase orders with suppliers specify that the supplier will only provide goods and services in compliance with all applicable laws, regulations and codes of practice. While Tidewater Renewables' standard agreements do not currently contain express clauses addressing forced labour or child labour, suppliers represent and warrant that they will remain fully compliant with all applicable trade and customs laws, regulations, instructions, and policies. Moreover, any services provided at a customer site must be provided in a manner that maintains the healthy and safe working conditions at the site.

Any violation of an applicable law would constitute a material breach of the purchase agreement, entitling Tidewater Renewables to terminate the agreement.

Modern Slavery Risks

The Company has assessed that the risk of forced labour or child labour in its own operations is low given that our workforce is located entirely in Canada, predominantly in British Columbia and Alberta, and the Company operates in accordance with applicable employment laws and standards. Tidewater Renewables maintains internal accountability standards and procedures for employees or contractors, including a whistleblower policy that permits employees to report suspected violations of the Code anonymously and without fear of retaliation.

Tidewater Renewables is at the beginning stages of mapping its supply chains and has conducted a preliminary risk assessment of the risks of forced labour and/or child labour in our supply chains. Given that Tidewater Renewables procures its goods and services primarily from vendors located in Canada and the U.S., we consider the risk of modern slavery in the first tier of our supply chain to be low. We have not begun to map the second tier of our supply chain. Goods procured for the HDRD project are procured through Tidewater Midstream.

Remediation Measures

Tidewater Renewables has not identified any forced labour or child labour in its operations or supply chain. As a result, we have not had to take any measures to remediate any forced labour or child labour or to remediate a loss of income for vulnerable families.

Training

Tidewater Renewables is committed to improving the capacity of our employees to further understand, identify and manage the risks of modern slavery in our operations and across our supply chains. In the first quarter of 2024, we engaged external counsel to provide training to a number of our employees the issue of forced labour and child labour and steps to manage the risks of modern slavery in our operations and our supply chains.

Assessing Our Effectiveness

We recognize that we have a responsibility to assess and mitigate the risk of modern slavery in our operations and supply chain over the long term. We are continuing to assess the risks of modern slavery in our operations and supply chains and have begun to take steps to mitigate these risks, but have not yet taken any actions to assess the effectiveness of those actions.

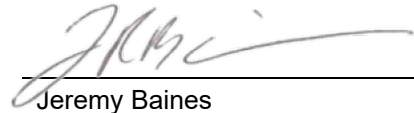
Approval and Attestation

This report was approved pursuant to subparagraph 11(4)(a) of the Act by the board of directors of Tidewater Renewables Ltd.

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 Period.

I have the authority to bind Tidewater Renewables Ltd.

Per: _____



Jeremy Baines
CEO and Chair
May 29, 2024