



Forced Labour in Canadian Supply Chain Sunterra Horticulture (Canada) Inc.

Reporting Year: 2025
Date of Submission: April 28, 2026



Introduction

Sunterra Horticulture Inc. is firmly committed to preventing forced labour and child labour within our operations and supply chain. This report has been prepared in accordance with Section 11 of the Fighting Against Forced Labour and Child Labour in Supply Chains Act (the “Act”). It details the actions and measures we have undertaken during the year ending December 31, 2025, to prevent, identify, and address forced and child labour within our business operations and supply chain. This report is applicable to Sunterra Horticulture, and the terms “we,” “us,” and “our” throughout this document refer to Sunterra Horticulture.

Our Structure and Business

Sunterra Horticulture (Canada) Inc is the wholly owned Canadian subsidiary of Profile Products, LLC the leading manufacturer of value-added soil substrates and amendments to the Horticulture, Erosion Control and Sports field markets. The Company’s global supply chain is complex. During its business operations, the Company purchases materials and components from around the world, although most are sourced from within Canada, United States or European Union. The Company relies on its direct suppliers of materials and components to provide information regarding the origin of materials and the compliance with local rules and regulations including forced labour laws and child labour laws.

Sunterra is a boutique peat moss producer, located in Manitoba and Saskatchewan, that provides its customers with premium professional grade Canadian Sphagnum peat moss. In addition, Quick Plug Canada is a division of Sunterra Horticulture (Canada) Inc. that manufactures value added horticulture and controlled environmental agriculture propagation plugs from high quality substrates in Ontario.

Our workforce comprises approximately 117 employees who are dedicated to upholding the highest standards of production quality and ethical business practices. We are committed to ensuring reliable supply chains and delivering products that meet stringent quality standards.

Policies and Due Diligence Processes

Sunterra Horticulture does not currently maintain specific policies directly addressing forced and child labour. However, we adhere to the highest employment standards mandated by Canadian legislation, including the Employment Standards Act, Occupational Health & Safety Act, Workplace Safety & Insurance Act, Human Rights Code, and Labour Relations Act. Our existing policies cover critical areas such as Employee Health and Safety and Workplace Violence and Harassment Prevention, aligning with robust standards to ensure a safe and fair working environment. We have developed a global supplier code of conduct that expressly prohibits any form of forced labour in our direct and indirect supply chains.

All our manufacturing activities are conducted within Canada. Our hiring processes are designed to ensure that all employees are legally authorized to work in Canada. Recruitment is carried out through reputable job platforms and direct applications, ensuring compliance with all relevant employment laws and regulations.

We regularly review and update our compensation policies and procedures to monitor alignment with prevailing market conditions in Canada and in Manitoba and Saskatchewan provinces, specifically.

Forced Labour and Child Labour Risks

Sunterra Horticulture upholds stringent Compliance and Ethics policies, which are mandatory for all employees as detailed in our Employee Handbook. We have established a confidential reporting system for any actual or potential violations of laws, regulations, or company policies. This system ensures the anonymity of whistle-blowers and protects them from retaliation.

Our Human Resources department performs regular reviews of policies to ensure compliance with applicable workplace and labour legislation. We adhere to provincial and federal labour laws rigorously, including those concerning the employment of young workers and the prohibition of underage labour.

Identification of Risks

Based on our current assessment, the risk of forced or child labour within our operations and supply chain is considered minimal. Our supply chain predominantly consists of North American entities, with regions that are classified as having a lower risk of forced labour according to the Global Slavery Index. We continuously monitor our supply chain to identify and address any potential risks, ensuring that our practices remain in line with ethical and legal standards.

Remediation Measures

At this time, there are no specific remediation measures in place, as no instances of forced or child labour have been identified. We are prepared to take prompt and appropriate actions should any issues arise. Our commitment to addressing such issues remains a priority, and we will implement necessary measures to resolve concerns.

Remediation of Loss of Income

As of the preparation date of this report, Sunterra Horticulture has not encountered any cases of forced or child labour within our operations or supply chain. Consequently, no measures have been required to address the loss of income for vulnerable families. Nonetheless, we remain vigilant and prepared to take necessary actions should any such situations occur. Our focus is on maintaining proactive measures to ensure the welfare of all individuals potentially affected by our operations.

Training

In 2025, Sunterra Horticulture implemented Forced Labour in the Canadian Supply Chain training for all employees involved in supply chain activities, customer service, and Canadian recruitment. By December 2025, all assigned employees had successfully completed the training and passed the associated assessment to ensure full compliance.

Assessing Effectiveness, Monitoring, and Continuous Improvement

Sunterra Horticulture recognizes the importance of continuous monitoring and improvement in our efforts to combat forced labour. We are committed to:

- Regularly reviewing and updating our policies and procedures to ensure they align with best practices and regulatory requirements.
- Conducting annual risk assessments to identify and address any emerging risks related to forced labour and child labour.
- Publicly reporting on our progress and challenges in addressing forced labour, maintaining transparency and accountability in our efforts.
- We are committed to educating, engaging, and monitoring suppliers' compliance with our supplier code of conduct which includes specific responsibilities for our direct and indirect suppliers to prevent instances of forced labour through fair labour practices, social/labour audits, and reporting.

Approval Statement

This report has been reviewed and approved by the Board of Directors and Officers of Sunterra Horticulture (Canada) Inc.

In accordance with Section 11 of the Act, I attest that I have reviewed the information contained in this report for Sunterra Horticulture (Canada) Inc. Based on my knowledge and exercised reasonable diligence, I confirm that the information is accurate and complete in all material respects for the purposes of the Act.

Signed,



Michael Ranchino, CEO