



WEST COAST
REDUCTION LTD.

FIGHTING AGAINST FORCED LABOUR AND CHILD LABOUR IN SUPPLY CHAINS
ANNUAL REPORT

REPORTING PERIOD: Jan. 1, 2025 – Dec. 31, 2025 (“Reporting Period”)

NOTHING LEFT BEHIND*

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1. WEST COAST REDUCTION LTD.- STRUCTURE, OPERATIONS & SUPPLY CHAINS

1.1 About West Coast Reduction Ltd.

At WCRL ‘nothing’ is important to us. Because when there’s nothing left - that’s when we’ve done our job.

WCRL collects food waste and by-products from food producers, like farms, restaurants, and supermarkets, transforming them into valuable products used in the production of renewable energy, animal feed and other agricultural products. WCRL’s efforts contribute to a sustainable local food supply, helping us all live in cleaner and healthier communities.

In total, WCRL recycles over 1.5 billion pounds of food waste and by-products every year in Western Canada. WCRL is an integral part of a circular economy, producing local ingredients required by agri-food producers. In addition to a local supply of important ingredients, WCRL offsets the cost of food waste disposal by providing credits to large producers for their by-products, thus reducing costs incurred by the local food supply chain and helping to sustain the local food industry.

1.2 Reporting Entity and Structure

West Coast Reduction Ltd. (hereinafter “WCRL”) meets the criteria for being a reporting entity under section 2 of Fighting Against Forced Labour and Child Labour in Supply Chains Act (hereinafter the “Act”).

Established in 1964, WCRL is a Canadian private corporation incorporated under the laws of the Province of British Columbia. WCRL’s head office is located in British Columbia with operating divisions throughout Western Canada. WCRL has no subsidiaries, and its operations are structured under a single operating entity, WCRL.

1.3 Business Operations & Employees

WCRL has been in the recycling business, servicing agriculture for 60 years. Our mission is to contribute solutions that ensure a sustainable local food supply. Our vision is to ensure Nothing is Left Behind. To WCRL, this means providing essential services to over 11,000 businesses and industry partners in Western Canada, with a focus on sustainability, reducing environmental impacts in agri-food production, and ensuring biosecurity for farmers and meat processors.

WCRL has key oversight through its head office located in Vancouver, British Columbia. Key operational decisions are assigned to divisional operations throughout Western Canada. WCRL has over 500 direct full-time employees, 14 direct part-time employees and no employees located outside of Canada. WCRL employees are all eligible to work in Canada, and WCRL does not participate in any temporary foreign worker programs. Full-time employees are provided competitive compensation, including benefits and retirement savings plans.

1.4 Activities

WCRL's key activities include manufacturing, trading and Bulk liquid storage and handling.

1.5 Supply Chain

WCRL has supplier relationships working with over 10,000 suppliers. Where possible, WCRL sources goods and services locally. Inputs range from Canadian farmers and local restaurants to large multi-national corporations. WCRL's key input in manufacturing is its raw material supply (animal by-products and used cooking oil). The majority of the raw material supply or animal by-products are sourced domestically, with a small percentage residing in neighbouring US states.

In addition to the raw materials by-products, WCRL procures a range of other goods and services in connection with its manufacturing and trading operations. These include animal fats and vegetable oils, animal protein, logistics services, maintenance parts and services, cleaning services, plant equipment, information technology parts and services, consumable inventory, natural gas, electricity, and other utilities, personal protective equipment, uniforms, office consumables, chemicals, and consulting services.

In 2025, WCRL transacted with 2,102 vendors, mostly from Canada and the USA; however, some organizations domiciled in Canada and the USA may be sourcing products or materials from other origins.

	Canada	USA	Australia	U.K.	Vietnam	France	India	Israel	Total
Supplier Count	1,971	126	1	1	1	1	1	1	2,102

WCRL employs experienced procurement teams to manage the supply arrangements. Given the nature of WCRL's business activities, many of the arrangements WCRL has with its suppliers are stable and long-term, as products and services are generally acquired on an ongoing basis. Examples of long-term arrangements include animal by-product suppliers, agent haulers, equipment suppliers and professional contractors.

WCRL distributes products both domestically and internationally. Customers primarily consist of feed producers, renewable fuel producers, pet food companies and distribution companies. WCRL has long-term, well-established relationships with customers. While the majority of customers reside in North America, WCRL does export a small percentage of its products through brokers to countries such as the Philippines, Vietnam, and Thailand.

2. POLICIES & DUE DILIGENCE PROCESS

At WCRL, we take social responsibility seriously, and the company is committed to minimizing the risk of forced labour in our supply chains.

While rendering plays a significant role in the preservation of our environment, WCRL understands that how we operate also matters. WCRL is deeply committed to operating in a sustainable and responsible way. As a company that cares, we are dedicated to supporting our community, environmental initiatives, and building greater awareness around what we do, while hiring people who share our values.

During the reporting period of 2025, WCRL reviewed and assessed the forced labour risks in our operations and supply chains. WCRL is certain that internally, WCRL complies with or exceeds employment standards in all jurisdictions. WCRL is, however, unable to fully outline risk mitigation and remediation actions required to mitigate the risks externally within the supply chain.

2.1 Due Diligence Processes

WCRL assesses and addresses forced labour risk factors through corporate policies, procedures and employee onboarding. WCRL also has supplier onboarding processes, which aim to continue enhancing and strengthening.

2.2 Current Policies

In addition to the current policies and procedures that WCRL has established and listed below, during the 2024 reporting period, WCRL developed two new policies. These are a new anti-bribery policy and a new whistleblower policy.

Previously implemented

Terms & Conditions of Employment Policy
Employment Hours of Work Policy
Employee Orientation & Onboarding Policy
Pay Administration Policy
Overtime Policy
Job-Protected Leave Policy
Statutory Holiday Policy
Employee Relations
Employment Relations

Developed in 2024

Anti-Bribery & Whistleblower Policies

3. FORCED LABOUR & CHILD LABOUR RISKS

WCRL recognizes that certain countries may face higher risks of forced labour, including those associated with poor governance, a weak rule of law, conflict, migration flows, and socioeconomic factors such as poverty.

In undertaking its first risk assessment, WCRL's most significant exposure to forced labour is viewed to be posed by goods imported by suppliers into the business through Tier 2 and Tier 3 suppliers.

The identification of the highest-potential risk supply chains and service providers remains unchanged for this reporting period. The following risks were identified:

3.1 Geographic risk

Although the vast majority of WCRL's suppliers are located within North America, WCRL does import some products from India and Vietnam. India and Vietnam are deemed to be higher risk under the Walk Free Global Slavery Index.

3.2 Sector and Industry Risks

WCRL operates in the agricultural, restaurant and manufacturing sectors. These sectors, especially in certain regions, have a higher risk of subcontracting to facilities that exploit forced labour, have a higher risk of underage or forced labour through the use of migrant or undocumented workers in slaughterhouses, processing operations, on farms or in restaurants.

3.3 Entity Risk

WCRL procures products and services from over 10,000 suppliers. While the majority of Tier 1 suppliers are based in Canada and the USA, given the large number of products and ingredients required in our manufacturing process, there is a risk that WCRL may inadvertently work with companies engaging in forced labour practices through the supply chain via Tier 2 or Tier 3 suppliers. While WCRL does not currently have visibility into the Tier 2 and Tier 3 suppliers, the higher-risk areas identified by WCRL in the previous report are still relevant (electronics, garments and textiles, chemical supplies and consumable parts and supplies).

WCRL acknowledges that one of the key steps to effectively addressing forced labour in its operations and supply chain is ensuring that appropriate governance and policy frameworks are in place. WCRL sought to take steps to improve its approach to and management of forced labour in the supply chain.

4. ACTIONS TAKEN TO ASSESS AND ADDRESS THE RISKS OF FORCED LABOUR (RISK MITIGATION & REMEDIATION)

Through an internal review of policies, procedures and internal controls surrounding payroll and labour, WCRL is confident that it does not directly utilize forced labour.

To date, there have been no reported or identified instances of child labour or forced labour in our supply chains. As a result, WCRL has not taken any measures to remediate any forced labour or child labour in its activities and supply chains.

WCRL will also continue to raise awareness within the organization about the exploitation of workers worldwide and the importance of due diligence in selecting supply chain partners.

Below are the steps taken during the reporting period to prevent and reduce the risk that forced labour or child labour is used:

- WCRL completed an annual review of the employee handbook . WCRL developed the new anti-bribery & whistleblowing policies .
- Provided annual training to new members of the purchasing department using the Walk Free – Modern Slavery Response & Remedy Framework.

- Contractual Terms and Conditions – WCRL reviewed its standard purchase order terms to ensure suppliers are fully aware of their obligations under The Act.
- WCRL developed a supplier code of conduct to be incorporated into supply agreements.

4.1 Next Steps

In the next reporting periods, WCRL intends to:

- Complete the annual review of the employee handbook with a working group including front-line managers.
- WCRL is working to extend the Forced Labour and Child Labour Risk Training to senior management/sales department.
- Supplier approval processes – WCRL intends to enhance the current supplier approval process by incorporating a specific assessment of forced labour risk and implementing controls to mitigate this risk.
- Contractual Terms and Conditions – the review of standard contract terms to ensure suppliers are fully aware of their obligations under The Act is work in progress.

4.2 Remediation measures and remediation of loss of income

During the reporting period, WCRL did not receive any complaints related to forced labour.

To date, there have been no reported or identified instances of any loss of income to vulnerable families that resulted from measures taken to eliminate the use of forced labour or child labour in our activities and supply chains.

5. TRAINING

WCRL actively onboards all employees and provides training surrounding our policies and procedures. WCRL will continue to train employees on the company's policies related to forced labour, including zero-tolerance policies and procedures related to forced labour. WCRL will ensure employees are trained on revisions to the policies to further bolster WCRL's eradication of forced labour in Canadian supply chains.

6. ASSESSING EFFECTIVENESS

WCRL will continue to develop and modify the approach taken to identify and manage forced labour risks throughout the supply chain. The measures and frameworks may include:

- Monitoring the number of supplier contracts which incorporate forced labour clauses.

- Include the supplier code of conduct as part of future contracts to ensure suppliers are fully aware of their obligations under the Act.
- Monitoring key suppliers' websites and reviewing their forced labour in Canadian supply chain reports to identify risks within our Tier 1 suppliers.
- Including forced labour training and information for relevant staff/personnel to ensure they are fully aware of WCRL's policies and controls in relation to the Act.

7. ATTESTATION

This report is provided by West Coast Reduction Ltd. ("WCRL") under the *BILL S-211* ("The Act"). For the purpose of this report, the term "forced labour" is defined to include both forced labour and child labour as defined in the Act, unless specified.

This statement has been approved by the Board of WCRL and signed below by the Chief Executive Officer.

ATTESTATION:

In accordance with the requirements of the Act, I attest that I have reviewed the information contained in the report for the entity or entities 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".

Full Name: Barry Charles Glotman

Title: Chief Executive Officer

Date (DD/MM/YYYY): 11/05/2026

Signature: 
I have the authority to bind West Coast Reduction Ltd.