

SNF CANADA LTD.

Report on Measures to Prevent and Reduce the Risk of Forced and Child Labour in Supply Chains

I. INTRODUCTION

This is the second report of SNF Canada Ltd. (“**SNF Canada**”) under the *Fighting Against Forced Labour and Child Labour in Supply Chains Act* (“**Act**”). SNF Canada supports the objectives of the Act and is committed to supporting and implementing responsible and sustainable business practices. We are bound by, and implement in Canada, SNF Group’s policies and standards of business ethics and sustainability, including those relating to respect for human rights and the fight against all forms of modern slavery. This report sets out the information required by Act and affirms our plans to implement and further develop appropriate measures to combat forced and child labour in our supply chains.

II. SNF CANADA STRUCTURE, ACTIVITIES AND SUPPLY CHAIN

a. Structure and Activities

SNF Canada is a corporation incorporated under the *Canada Business Corporations Act* under Corporation Number 610595-5. Its Business Number is 886275122. SNF Canada has been active in Canada from over 25 years. As of April 2024, we have a total of 28 full and part-time employees, all of whom are located in Canada. SNF Canada is a subsidiary of, and part of, SNF Group.

SNF Group is a privately held, specialty chemical company based in the Rhône-Alpes region of France. SNF Group is a global leader in manufacturing and processing water-soluble polymers (based on polyacrylamide). With 21 production sites in Europe, Asia, Australia, and America, SNF Group has the largest polyacrylamide production capacity in the world. Our products help preserve natural resources, encourage recycling, and improve the efficiency of industrial processes. Our polymers are used in all markets where water is present: drinking water production, wastewater treatment, sludge dewatering, oil and gas extraction, mining, agriculture, and the manufacture of paper, textiles, and cosmetic formulations.

SNF Group products are sold into 140 countries, across every sector of the economy, with 70 subsidiaries located in more than 40 countries, in 3 major economic regions (The Americas, Europe, and Asia). More information on our company is available at: <https://www.snf.com/>.

SNF Canada’s activities are primarily as a sales operation for the products produced by our affiliates in SNF Group. Our Canadian headquarters are located in Woodbridge, Ontario and we maintain 19 warehouses and provide service to our customers through technical sales and Service representatives located across Canada. SNF Canada supplies products to the Oil and Gas, Municipal, Paper, Mining and Personal Care Markets.

b. Supply Chain

As noted above, our supply chain primarily consists of sourcing polyacrylamide-based flocculant and coagulant polymers for water and wastewater treatment from our affiliates in the United States, France, China, South Korea and India, importing these products into Canada and supplying them to our customers, along with related equipment and services. We also warehouse product in Canada and export product to customers abroad.

III. POLICIES AND PROCEDURES IN RELATION TO FORCED AND CHILD LABOUR

SNF Canada's mission is to develop, produce and market polymers for water treatment, oil industry, mining, and paper industries while keeping environmental sustainability as one of our top priorities. SNF Canada adheres to the strict policies and standards of its parent, SNF Group, regarding sustainable development, environmental issues, and community involvement. This includes adherence to the SNF Group [Code of Conduct](#), which was updated in March 2025.

The Code of Conduct sets out the company's core ethics and integrity values, commitments and expectations for its directors, officers, employees, representatives and other stakeholders. The Code includes a section on Ethics and Integrity in Society which affirms SNF Group's commitment to:

- **United Nations Global Compact:** whose 10 principles serve as framework for the company's Code of Conduct. SNF Group is fully committed on the four major axes of the Pact: human rights, working conditions, environment and fight against corruption.
- **Responsible Care®:** SNF Group is a long-time signatory of this global industrywide initiative to help protect environment and act in a responsible way. The SNF Group Responsible Care Policy is available [online](#).
- The principles of the **United Nations Universal Declaration on Human Rights**.

In addition to the broad range of human rights and workplace issues addressed elsewhere in the Code of Conduct and in the Group's policies, SNF Group prohibits any kind of child labour or forced labour. SNF Group takes seriously any indication that human rights are not properly protected within its sphere of influence or that it may be complicit in any human rights violation. Employees are expected to understand the human rights issues that may be at stake in their workplaces and should prevent any violation of these rights.

Likewise, the SNF Group [2024 ESG Report](#) (see page 72) affirms our zero-tolerance stance against modern slavery. As a global leader, SNF Group recognizes the imperative to combat this issue head-on. Modern slavery encompasses forced labour, human trafficking, and exploitation, all of which undermine the principles of dignity and equality.

With respect to its supply chains and purchasing activities, SNF Group adheres to the highest standards of corporate social responsibility. SNF Group's responsible purchasing approach is

guided by the ethical principles of its Code of Conduct. These principles cover human and labour rights, respect for the environment, quality and safety of products and services, as well as compliance and ethics. Our approach is detailed in the SNF Group [Responsible Purchasing Policy](#).

Among other things, the Responsible Purchasing Policy requires our suppliers not to employ any children and, where there is a legal requirement for a higher age, not to employ any children below the legal age. Additionally, suppliers are not to impose forced labour, and must respect human and international labour standards. SNF Group commits to working with its suppliers to address any identified issues and drive continuous improvement and to conduct regular assessments of existing and potential suppliers to ensure ongoing compliance. Failure to comply with the provisions of the Responsible Purchasing Policy may result in reconsideration or termination of the business relationship and corrective actions being implemented per the terms of the relevant Purchase agreements.

The Code of Conduct also provides for an anonymous reporting system including an email address, ethics@snf.com, through which the Group's Ethics Officer can receive reports of any violation of regulations, the Responsible Purchasing Policy, or Code of Conduct. Reports are covered under the [Whistleblowing Procedure](#).

In addition to the group-level policies we follow, SNF Canada has a number of internal policies and practices in place for our employees, included in the SNF Canada Employee Handbook.

IV. RISK ASSESSMENT, MANAGEMENT AND MITIGATION

As explained in its 2024 ESG Report, SNF Group carries out extensive risk assessment and management of its value chain, particularly with suppliers.

The SNF Group makes ESG risk management one of its top priorities throughout its value chain, particularly with its suppliers. Indeed, as part of its responsible purchasing strategy, the SNF Group has established a responsible procurement policy for all its partners. Our policy requires our suppliers to strictly comply with our standards, which are based on the principles of the Global Compact and our code of conduct.

This risk management regime applies to SNF Canada.

In relation to supply chain specifically, to monitor the risk linked to its suppliers, SNF Group uses a risk mapping tool developed by EcoVadis. The IQ EcoVadis system provides SNF Group a robust risk classification of its entire supply base, which provides an effective risk management solution to help meet compliance requirements and implement our sustainable strategy. This assessment is based on our own procurement data and screening of supplier risk factors. This creates a sustainability profile based on country, industry, company related risks enriched with our procurement data such as spend. This risk performance of suppliers is established with reference to 4 theme areas Environment, Labor and Human rights, Ethics and Sustainable

Procurement (which includes forced or child labour) and 21 related criteria. This allows SNF Group to get an overall risk distribution and cartography. More details on our supplier risk mapping is available in our 2024 ESG Report at pages 83-84.

V. EFFECTIVENESS OF OUR ACTIONS

For the purposes of reporting on our performance on non-financial indicators (such as ESG, including human rights), SNF Group also uses, for example, the international recommendations and guidelines of the OECD and ISO 26000 as a guide when defining and selecting non-financial indicators. In selecting and measuring our key data, we take into account the recommendations of the Greenhouse Gas Protocol for greenhouse gas emissions and those of the European Federation of Financial Analysts Societies, the World Business Council for Sustainable Development, the European Chemical Industry Council (CEFIC), and the International Council of Chemical Associations (ICCA) for other non-financial indicators.

Our ESG Report is also subject to external verification. The audit firm Deloitte & Associés in Lyon, France has reviewed the 2024 ESG Report and issued an Assurance Report, which can be found on page 108 of the 2024 ESG Report.

More details on the effectiveness of SNF Group's compliance and corporate social responsibility actions are available in the 2024 ESG Report, including at pages 25-26, 82-83, and 86.

REMEDATION MEASURES

SNF Canada has not identified any incidents of forced or child labour in our supply chains. As such, we have taken no related remediation measures and, therefore, have not taken any steps to mitigate any negative effects on vulnerable families of remediation measures. In the unlikely event an incident should arise, we are committed to taking appropriate remediation measures and assisting vulnerable families.

VI. TRAINING

As set out in greater detail in the 2024 ESG Report, the SNF Group maintains an active training program on its Code of Conduct and Responsible Purchasing Policy. As explained on pages 82-83 of the 2024 ESG Report:

In addition, we took a proactive approach by delivering targeted training programs to employees in critical areas, including anti-corruption, fair competition practices, and compliance with economic sanctions and embargoes. These efforts reinforce our ongoing commitment to fostering a culture of integrity and accountability.

...

SNF conducted comprehensive compliance awareness for all staff in conjunction with specific training initiatives. This initiative aimed to reach as many employees as possible, imparting knowledge on general compliance matters, including codes of conduct, anti-

corruption measures, competition standards, and GDPR. The training employed various methods such as flyers, videos, interviews, and comics to ensure practical application in daily work situations.


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SNF has provided extensive training to its purchasing teams to manage corporate social responsibility (CSR) risks effectively.

- *Comprehensive Training: 100% of buyers, recruits, and employees involved in supplier relations have completed training covering responsible purchasing policies, tools, and the EcoVadis Academy.*
- *Supplier Education: We have also implemented programs to raise supplier awareness of CSR principles and expectations*

APPROVAL & ATTESTATION

In accordance with the requirements of Canada's *Fighting Against Forced Labour and Child Labour in Supply Chains Act*, and in particular section 11 thereof, I attest that I have reviewed the information contained in the report for SNF Canada Ltd. I attest that the report has been approved by the board of directors and that, based on my knowledge and having exercised reasonable diligence, 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.

Signature:	
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Name: Marco Giuliani

Title: Vice President

Date: August 08, 2025

I have the authority to bind SNF Canada Ltd.