

## 2025 FORCED LABOUR AND CHILD LABOUR REPORT

This report (the “**Report**”) is a joint report prepared pursuant to the *Fighting Against Forced Labour and Child Labour in Supply Chains Act* (Canada) (the “**Act**”) by Bakelite Canada Inc. and its parent, Bakelite Canada Holding Inc. (collectively, “**Bakelite Canada**”, or the “**Reporting Entities**”).

Each of the Reporting Entities is incorporated pursuant to the *Canada Business Corporations Act*. This Report provides an overview of the measures, actions and activities undertaken by the Reporting Entities to assess, prevent and reduce the risk of forced labour or child labour in their business and supply chains. This Report applies in respect of the Reporting Entities’ financial year ending December 31, 2025.

### 1. CORPORATE STRUCTURE AND BUSINESS

Bakelite Canada is part of the Bakelite group of companies (together with its affiliates, “**Bakelite**”), a global chemical manufacturing business headquartered in the United States. Bakelite focuses on sustainable and innovative chemistry, producing a range of specialty resins and related products used across multiple industrial sectors. Bakelite’s products include phenolic materials, melamine materials, urea resins, aromatic polyols, formaldehyde, UFC and hexa, molding compounds, catalysts, scavengers and hardeners, asphalt additives and related products. Bakelite serves a range of industries, including building and construction, agricultural and chemical intermediates, coatings, adhesives, sealants, elastomers and inks, consumer goods, electrical and electronics, industrial manufacturing, oil, natural gas, fuel, mining and transportation.

Bakelite Canada consists of a Canadian holding company, Bakelite Canada Holding Inc., and its operating subsidiary, Bakelite Canada Inc., responsible for manufacturing and related activities in Canada. Bakelite Canada’s activities include chemical manufacturing in Canada and importing goods into Canada that are produced outside Canada as part of its chemical manufacturing business. Bakelite Canada also participates in Bakelite’s broader global supply chain, including through procurement of raw materials, chemical inputs and other goods used in its Canadian operations.

The Reporting Entities are subject to, and operate in alignment with, the policies, standards and compliance frameworks established by Bakelite, including enterprise-wide policies relating to ethics, human rights, supplier conduct and trade compliance.

Bakelite Canada is headquartered in Longueuil, Quebec, Canada and employs approximately 37 employees in Canada.

### 2. SUPPLY CHAIN

Bakelite Canada’s supply chain includes suppliers of raw materials, chemical inputs, industrial goods and other third-party vendors supporting its Canadian manufacturing and business operations.

Bakelite Canada has visibility into key suppliers through established procurement and supplier management processes. Primary suppliers are identified and monitored, and supply chain information is reviewed as part of ongoing risk, compliance and business continuity efforts. This enables oversight of critical suppliers while allowing flexibility as supply chains evolve.

Bakelite Canada also screens third parties, including vendors, customers, agents and distributors, using third-party software tools, including Livingstone and E2Open, together with a backup manual process performed by BDP. These screening procedures are designed to identify sanctions-related, illegal or other compliance concerns.

Bakelite Canada’s direct supply chain includes suppliers that provide a range of goods, including phenol, methanol, urea, caustic soda, melamine and sulfamic acid.

### **3. POLICIES AND DUE DILIGENCE PROCESSES**

Bakelite Canada is subject to Bakelite's policies and due diligence processes relating to ethical conduct, human rights, labour standards, supplier conduct and trade compliance.

#### ***Code of Conduct***

Bakelite's Code of Conduct applies to Bakelite associates and establishes expectations relating to ethical conduct, compliance with law, respect for human rights, workplace conduct, international trade, anti-bribery, financial integrity and reporting concerns. The Code of Conduct provides that respect for fundamental human rights is core to Bakelite's operational philosophy and that forced or involuntary labour, child labour, slavery and human trafficking are not acceptable or permitted. It also states that Bakelite expects third parties acting on its behalf to comply with applicable labour laws and demonstrate respect for human rights.

#### ***Supplier Code of Conduct***

Bakelite's Supplier Code of Conduct applies to suppliers and other third parties that do business with Bakelite. It requires third parties to comply with applicable laws and ethical standards and to implement systems and controls that promote compliance. The Supplier Code of Conduct prohibits forced, bonded or indentured labour, involuntary prison labour and child labour. It requires that all work be voluntary, that workers meet applicable minimum age requirements, and that work times comply with applicable laws and regulations. Bakelite expects third parties to comply with the Supplier Code of Conduct and reserves the right to assess and monitor third-party compliance and take appropriate action in the event of non-compliance.

#### ***Due Diligence Processes***

Bakelite Canada's due diligence processes are informed by, and integrated within, Bakelite's global compliance, procurement and risk management frameworks. These processes are designed to identify, assess and mitigate risks of forced labour and child labour across its operations and supply chains. Bakelite Canada's due diligence processes include:

- embedding responsible business conduct, including respect for human rights, into enterprise-wide policies, management systems and day-to-day operations;
- implementing a Code of Conduct and Supplier Code of Conduct that establish clear expectations relating to ethical conduct, labour standards and compliance with applicable laws;
- identifying and assessing adverse impacts and risks within operations, supply chains and business relationships, including through supply chain mapping and risk assessment processes;
- integrating risk considerations into procurement and supplier onboarding processes, including requiring adherence to Bakelite's Supplier Code of Conduct;
- conducting due diligence and screening of third parties, including vendors, customers, agents and distributors, using third-party tools and manual review processes to identify sanctions, legal and compliance risks;
- implementing contractual controls and compliance provisions, including trade compliance requirements and expectations regarding lawful and ethical conduct;
- monitoring suppliers and third parties through procurement oversight, compliance reviews and ongoing supplier management processes;
- tracking implementation of policies and controls and addressing identified issues through internal compliance processes;
- communicating expectations through policies, training, internal communications and supplier engagement; and

- maintaining grievance and reporting mechanisms, including the Bakelite Synthetics Hotline, which is available to employees and third parties and supports confidential and anonymous reporting, investigation of concerns and non-retaliation protections.

#### **4. STEPS TAKEN TO PREVENT AND REDUCE RISKS**

In 2025, Bakelite Canada continued to consider its reporting obligations under the Act as they pertain to its operations and supply chains and determined that the risk of forced labour and child labour in its activities and supply chains is low.

Over the past year, Bakelite Canada continued to undertake supply chain mapping exercises, conduct internal and external assessments of the risks of forced labour and child labour in its activities and supply chains, gather information relating to worker recruitment practices and maintain internal controls to support that workers are recruited on a voluntary basis. Where recruitment agencies are engaged, such agencies are required to comply with Bakelite's Supplier Code of Conduct.

Bakelite Canada also continued to prioritize its due diligence efforts based on the severity of identified risks and to monitor its suppliers and third-party relationships through procurement, compliance and supplier management processes.

Bakelite Canada has embedded responsible business conduct into its policies and management systems, including through the implementation of Bakelite's Code of Conduct and Supplier Code of Conduct. Bakelite Canada continues to make efforts to source goods from responsible and reputable suppliers and to undertake due diligence in connection with supplier onboarding and procurement processes to better understand:

- (a) whether suppliers and their supply chains may be exposed to risks of forced labour or child labour;
- (b) the source countries for materials used in its supply chains; and
- (c) labour practices, including hiring and sourcing practices, relating to workers throughout its supply chains.

In addition, Bakelite Canada continued to screen third parties, including vendors, customers and distributors, using third-party compliance tools (including Livingstone and E2Open) together with manual review processes designed to identify sanctions, legal or other compliance risks.

Bakelite Canada also maintained grievance and reporting mechanisms, including the Bakelite Synthetics Hotline, through which employees and third parties may raise concerns, which are investigated in accordance with Bakelite's compliance processes and subject to non-retaliation protections.

#### **5. AREAS OF RISK AND RISK MANAGEMENT**

Bakelite Canada has begun the process of identifying parts of its activities and supply chains that may carry risks of forced labour or child labour, though gaps remain in its assessment. Bakelite Canada has identified potential risk areas relating to the chemical manufacturing sector and related supply chains and its tier-one direct suppliers. These risks inform Bakelite Canada's due diligence and mitigation measures described in this Report.

Bakelite Canada manages these risks through procurement oversight, supplier monitoring, third-party screening, contractual compliance requirements, application of Bakelite's Code of Conduct and Supplier Code of Conduct, employee training and reporting mechanisms.

## **6. REMEDIATION MEASURES**

Bakelite Canada has not identified any forced labour or child labour in its activities or supply chains during the reporting period. Accordingly, Bakelite Canada has not taken any measures to remediate forced labour or child labour.

Bakelite Canada has also not identified any loss of income to vulnerable families resulting from measures taken to eliminate forced labour or child labour in its activities or supply chains. Accordingly, no remediation measures relating to loss of income were required.

## **7. TRAINING**

Bakelite Canada provides mandatory training to employees through Bakelite's Code of Conduct training program. The Code of Conduct training introduces employees to Bakelite's Code of Conduct, its purpose and practical application to ethical issues that may arise in the business environment. Bakelite also provides online training and more detailed and specific training for sales and procurement teams to create awareness of trade compliance risks, how to recognize red flags and how to raise concerns.

## **8. ASSESSING EFFECTIVENESS**

Bakelite Canada acknowledges that forced labour and child labour are potential risks within its operations and supply chains. Bakelite Canada undertakes various steps to address these risks, including monitoring suppliers through procurement and compliance processes, screening third parties, maintaining grievance mechanisms and providing employee training. Bakelite Canada also periodically reviews its policies, procedures and business practices to ensure that they continue to reflect its commitment to responsible business conduct and to the implementation of effective measures to prevent and reduce the risk of forced labour and child labour in its activities and supply chains. Through these processes, Bakelite Canada seeks to enhance its understanding of potential risks, strengthen its controls and support the ongoing development of its approach to managing risks relating to forced labour and child labour.

## **9. ATTESTATION**

This Report was approved by the board of directors of each of Bakelite Canada Inc. and Bakelite Canada Holding Inc. pursuant to section 11 of the Act.

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 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.

*s/ Jean-Philippe Nahmias*

Jean-Philippe Nahmias  
Director, Bakelite Canada Inc. and Bakelite Canada Holding Inc.

I have the authority to bind Bakelite Canada Inc. and Bakelite Canada Holding Inc

May 29, 2026