

Fighting Against Forced Labour and Child Labour in Supply Chains Act Report (Canada)

Reporting Entity: Allnex Canada Inc.

Business Number: 842707135RM0001

Reporting Period: 1 January 2025 – 31 December 2025

1. Introduction

Allnex Canada Inc., (“Allnex Canada” or the “Company”) is committed to conducting business ethically and responsibly and to preventing and mitigating the risk of forced labour and child labour in its operations and supply chains. Respect for human rights is a core value of the Allnex Group and is embedded in how the Group operates globally, engages with employees and business partners, and manages its supply chains.

Allnex Canada reports under the Fighting Against Forced Labour and Child Labour in Supply Chains Act (the “Act”) as part of the Allnex Group, which imports goods into Canada and meets the applicable statutory thresholds.

This report is published pursuant to the Act and describes the measures taken by Allnex Canada during the reporting period to prevent and reduce the risk that forced labour or child labour is used at any step of the production of goods, in Canada or elsewhere, by Allnex Canada, or in the supply chains of its goods.

This is a single-entity report for Allnex Canada and reflects both Canada-specific practices and Allnex Group-wide policies, procedures, and governance frameworks that apply to Allnex Canada.

2. Structure, Activities and Supply Chains

2.1. Corporate Structure

Allnex Canada is incorporated under the laws of Canada and forms part of the Allnex Group, a global specialty chemicals group operating under a unified global management and policy framework.

The corporate structure is as follows:

- Allnex Management GmbH (Germany)
- Allnex Belgium SA/NV (100% owned)
- Allnex Canada Inc. (100% owned)

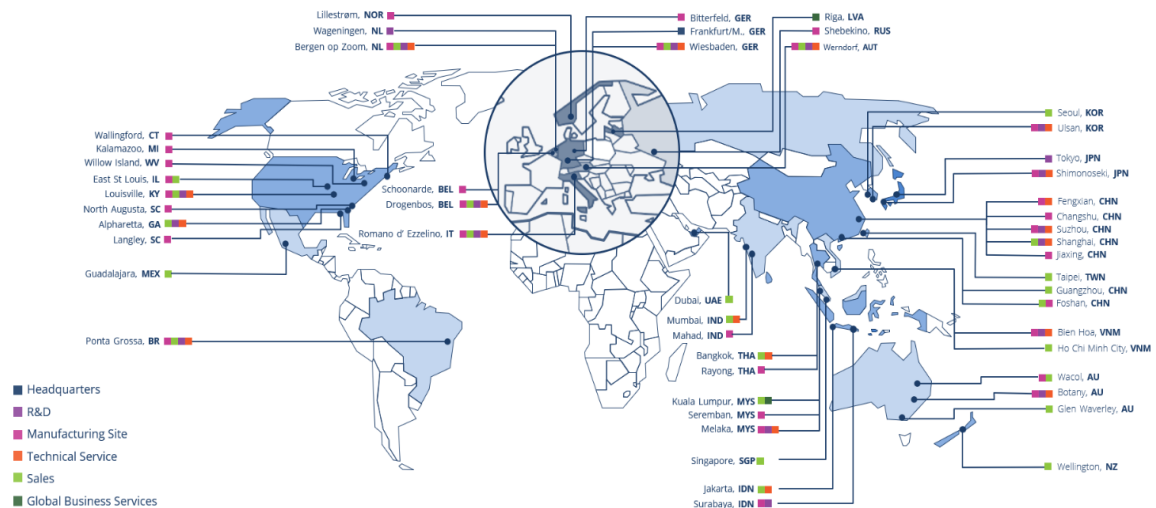


Allnex Management GmbH is managing and overseeing the global operations of the Allnex Group. All entities within the Group, including Allnex Canada, operate under common global policies, standards, and compliance programs.

As at the end of the reporting period, Allnex Canada employed one employee in Canada, while the Allnex Group employed approximately 4,000 employees globally.

allnex at your side, worldwide

Global reach / Local support / Consistent quality



2.2. Activities

The Allnex Group is a leading global producer of industrial coating resins, crosslinkers, and additives used in a wide range of industrial and commercial applications. The Group operates a global network of manufacturing facilities, research and technology support centers, and commercial offices.

Allnex Canada’s activities are primarily related to commercial and group support functions within the crosslinkers business division and do not include manufacturing operations in Canada.

Our technologies, our strength
Innovate better / Perform smarter / Grow stronger

COATING RESINS	ADDITIVES	COMPOSITES
<p>Waterborne: Acrylics, ACURE®, Alkyds, Polyurethanes, Polyesters, Epoxies & Hardeners, Polyols</p> <p>Solventborne: Acrylics, ACURE®, Alkyds, Sag Control Agents, Polyesters, Epoxies & Hardeners, Hydrophobic Polyols</p> <p>Radiation curing: Acrylate oligomers, incl. urethane-, polyester- and epoxy acrylates, Reactive diluents, Waterborne UV resins</p> <p>Powder: Polyester resins, Acrylics, UV-Powders</p> <p>Crosslinkers: Amino & Phenolic crosslinkers, Urethane Specialties</p>	<p>Additives for waterborne, solventborne, radiation curing and powder coatings: Pigment dispersants, Flow & leveling agents, Metal driers, acid catalysts</p> <p>Petrochemical additives</p> <p>Tire additives</p>	<p>Unsaturated Polyesters and Vinyl Esters, Gelcoats Radiation curing resins</p>

2.3. Supply Chain

Allnex Canada relies on the Allnex Group’s global procurement and supply chain framework. The Group sources raw materials, intermediates, packaging, logistics, and services from suppliers located across multiple regions, including North America, Europe, and Asia.

Procurement activities are governed by standardized global processes designed to support ethical sourcing, supply chain transparency, and compliance with applicable human rights and labour standards, including the prevention of forced labour and child labour.

An important milestone in driving impact in the chemical supply chain and our continuous improvement journey was achieved at the end of 2022, when Allnex Group joined the chemical industry initiatives ‘Together for Sustainability’ (TfS), an international member-driven initiative raising CSR (Corporate Social Responsibility) standards throughout the chemical industry. This member-driven organization consists of 58 member companies, as of October 2025, representing a global turnover in the chemical industry of over €800 billion and a global spend of over €500 billion.

A main focus in the concept of TfS is the development and implementation of a global supplier engagement process to assess and improve sustainability practices within the supply chains of chemical companies. The program is based on the UN Global Compact and Responsible Care®. The standardized approach of TfS Assessments and Audits is measuring suppliers’ performance in key areas such as environmental, labour and human rights (including forced and child labour), and ethical and sustainable procurement. The sustainability assessments are performed by EcoVadis. For audits, TfS cooperates with TfS-approved third party audit companies. Through the TfS academy, TFS provides training to our suppliers on sustainability topics.

3. Policies and Due Diligence Processes

Allnex Canada is subject to, and implements, Allnex Group-wide policies and procedures that address human rights, ethical business conduct, and responsible sourcing. These policies apply to employees, contractors, and, where relevant, suppliers and business partners.

Key policies include:

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Policy/Procedure	Objective and purpose
Code of Conduct	Builds on company values and formulates guidelines for daily activities; the code is not only applicable to all our employees, but also to contractors and consultants.
Supplier Code of Conduct	Outlines how suppliers of goods and services are expected to respect and adhere to required principles of lawful and ethical business.
Labour and Human Rights Policy	Communicates expectations with respect to human rights and labour practices and the high standard of conduct expected of our employees worldwide.
Hotline to report	Confidential reporting of any known or suspected violation of the

compliance violations	Code of Conduct via a hotline.
Anti-Bribery; Anti-Corruption Policy; and Export Controls	Compliance with the laws of the countries in which it operates, particularly with respect to laws covering corruption and anti-competitive behaviour. This applies whether Allnex Group entity is acting directly in a country through employees, or indirectly through agents, distributors or other intermediaries.
Responsible Sourcing of Minerals	Compliance with the existing conflict minerals regulations and also ethical and responsible sourcing.

These policies are publicly available and are incorporated into procurement terms, contract templates, and supplier onboarding processes. <https://allnex.com/en/info-hub/compliance>

4. Risk Assessment and Supply Chain Due Diligence

4.1. Risk Identification

The Allnex Group conducts structured risk assessments to identify and assess potential forced labour and child labour risks in its operations and supply chains.

Allnex Group is bound by its own supplier due diligence and risk assessment framework in the selection and evaluation of suppliers. One of the most crucial aspects of Allnex Group due diligence is on human rights where Allnex Group will identify, assess, mitigate and remediate assess potential forced labour and child labour risks in its operations and supply chains. Allnex’s Group due diligence process aligns with the international best practices as below:

- a. Risk Assessment: Identifying potential human rights risks across our supply chain and operations.
- b. Supplier Assessment and Audit: Regularly evaluating supplier’s compliance to human rights standards via third party assessment and audit tools.
- c. Grievance Mechanism: Providing accessible channels for employees, suppliers, and stakeholders to report violations.
- d. Mitigation and Remediation: Taking practical corrective actions when human rights concerns arise to mitigate the risks.

The Allnex Group utilize EcoVadis IQ for pre-risk screening to identify potential sustainability risks including forced and child labour risks within our supply chain. EcoVadis assessments and Tfs audits both provide a comprehensive overview of suppliers' sustainability performance and compliance with our sustainability and ethical standards. These tools can identify the potential sustainability risks including forced and child labour risks within our supply chain.

While Allnex Canada's direct operations are considered low risk due to the regulatory environment and limited workforce size, potential risks may arise in upstream supply chains associated with global sourcing of raw materials and intermediates.

4.2. Supplier Evaluation Framework

The Allnex Group operates a standardized Supplier Performance Evaluation Framework aligned with international standards and industry best practices.

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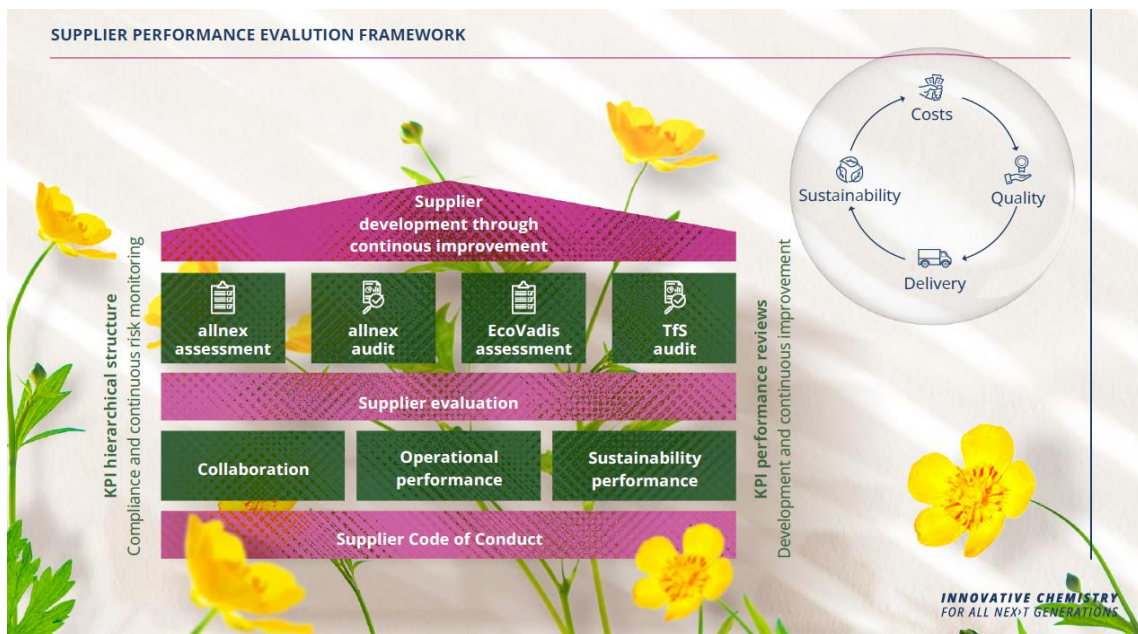
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In 2025, Allnex Group assessed more than 1,400 suppliers using our Supplier Performance Evaluation Framework. Our Target is to ensure that 80% of our targeted suppliers have gone

through a TFS on-site audit or EcoVadis assessment by 2028. In 2025, more than 300 suppliers globally have undergone the EcoVadis and TFS audit. Compared to 2024, 73% of our suppliers have shown improved scoring in the assessment. Allnex Group achieved a significant reduction in the number of suppliers identified as high risk, with a meaningful decrease compared to earlier reporting years.

No instances of forced labour or child labour requiring remediation were identified in relation to suppliers relevant to Allnex Canada during the reporting period.

Suppliers are categorized into risk tiers based on assessment outcomes. Depending on the risk level, suppliers may be required to implement corrective action plans, undergo enhanced due diligence, or, in cases of persistent non-compliance, face suspension or termination of the business relationship.



5. Training and Capacity Building

Allnex Group provides regular, mandatory training to employees on ethical conduct, compliance, and human-rights-related topics, including the prevention of forced labour and child labour.

Training is delivered through:

- Online Code of Conduct training for all employees, refreshed on a two-year cycle
- Instead of conventional classroom teaching the training was offered on our e-learning platform “EXPLORE” to facilitate self-learning in the digital era.
- Periodic briefings for senior management on emerging regulatory and supply chain human rights risks

New employees are required to complete Code of Conduct training as part of their onboarding process. Training materials are reviewed and updated periodically to reflect regulatory developments and evolving best practices.

6. Remediation Measures

As mentioned above, Allnex Group has implemented a number of policies and procedures which have the effect of promoting and reinforcing the need for respect for human rights as well as addressing forced or child labour risks in its operations and supply chains. These policies and procedures outline remediation and mitigating actions for the risks identified.

Where potential or actual adverse impacts related to forced labour or child labour are identified, Allnex applies a remediation-focused approach, including:

- Engagement with the supplier to understand root causes
- Development and monitoring of corrective action plans
- Follow-up assessments or audits to verify implementation

Where remediation efforts are unsuccessful, or where a supplier fails to cooperate, Allnex reserves the right to suspend or terminate the business relationship.

6.1. Remediation of Loss of Income to Vulnerable Families

During the reporting period, Allnex Canada did not identify any instances of forced labour or child labour within its operations or supply chains. As a result, no measures to remediate the loss of income to vulnerable families arising from remedial actions were required or implemented.

6.2. Remediation Framework

While no instances of forced labour or child labour were identified during the reporting period, Allnex Group maintains a defined remediation framework to address potential adverse impacts should they arise in the future. This framework emphasizes supplier engagement, corrective action, and continuous improvement, with disengagement reserved as a last resort, taking into account potential unintended consequences.

7. Grievance Mechanisms

Allnex Group maintains a global compliance violations hotline that allows employees, suppliers, and other stakeholders to confidentially report known or suspected violations of the Code of Conduct, including human rights-related concerns. The hotline is available 24 hours a day, supports multiple languages, and is accessible via phone, email, or fax.

All reports are reviewed and investigated, with appropriate actions taken where required.

8. Effectiveness Assessment

The effectiveness of Allnex Group's policies and due diligence processes is assessed through a combination of qualitative and quantitative measures, including:

- Monitoring trends in supplier risk ratings and audit outcomes
- Review of corrective action plan completion
- Training completion rates for employees in relevant functions
- Periodic internal audits, management reviews, and ESG reporting processes

Findings and insights gained from these assessments inform continuous improvement initiatives, including refinements to supplier engagement strategies, training content, and procurement practices.

9. Attestation

Board approval:

This report was reviewed and approved by the governing body (Board of Directors) of Allnex Canada Inc. prior to submission.

In accordance with section 11 of the *Fighting Against Forced Labour and Child Labour in Supply Chains Act*, I attest that I have reviewed the information contained in this report for the entity listed above. Based on my knowledge, and having exercised reasonable diligence, I attest that the information in this report is true, accurate, and complete in all material respects for the purposes of the Act for the reporting period specified.

Date: 31 May 2026

Name: Duncan Taylor

Title: Chief Financial & IT Officer

Authority: I have authority to bind Allnex Canada Inc.

Signature: 
[Duncan Taylor \(May 11, 2026 07:23:16 GMT+1\)](#)

Email: duncan.taylor@allnex.com