

CHEMSYN CODE OF CONDUCT & REPORTING

2023 Modern Slavery, Forced Labour and Human Trafficking Statement

INTRODUCTION

This report has been prepared with reference to the provisions of the ***Fighting Against Forced Labour and Child Labour in Supply Chains Act (Canada) (the Act)***, which applies to Canadian entities that produce, sell and distribute, as well as import goods into Canada. Chemsyn has chosen to proactively share its practices as they relate to the Act using the reporting framework provided by this important new legislation even though the organization has not yet reached the required threshold for reporting but will do so in the very near future.

STATEMENT

This statement sets forth our commitment to combat unethical practices in our supply chains, as well as to comply with requirements of the Act.

Chemsyn does not tolerate any form of slavery, child labour, forced labour or human trafficking in our operations nor within our supply chain. Chemsyn is committed to complying with laws relevant to the business and to act with care, integrity and responsibility when dealing with employees, customers, suppliers and community interaction where its products are manufactured, sold or distributed. As a Canadian-owned and operated national supplier of sanitation and disinfection products, we hold our organization, employees and our supply chain to the highest standards of conduct and make ongoing enhancements to ensure compliance with all Canadian Labour Law requirements. We are committed to taking action and implementing appropriate measures to mitigate the risk of modern slavery, child labour, forced labour and human trafficking in our operations, either directly or through our suppliers. We are proud of the positive contributions we can make as a Canadian business operating within, and across, Canada. We maintain, with the support of senior leadership and ownership, an unwavering commitment to protect human rights and prevent acts of modern slavery from occurring within our business and our supply chain and impose the same high standards on our suppliers. This commitment is fundamental to our sustainability as an organization and future international business.

STRUCTURE OF THE ORGANISATION

Chemsyn is a leading, Canadian-owned and operated national supplier of sanitation and disinfection chemicals, equipment and services. We serve numerous markets including Foodservice, Healthcare, Manufacturing, Food and Beverage Processing, Grocery and Retail, and Institutional and Commercial applications with our line of Chemsyn® cleaning and disinfection products.

We have 4 offices across Canada and serve our customers directly via our Chemsyn delivery fleet and Canadian distribution partner network.

Our supply chains include the sourcing of raw materials via Canadian product manufacturers, as well as packaging, equipment, contract manufactured goods, and other direct materials related to the provision and manufacturing of goods.

OUR POLICIES

As part of our ongoing commitment to combatting modern slavery, we have implemented the following policies:

Code of Conduct. This provides the foundational standards of conduct for all aspects of our business, and is equally applicable to all our employees, operations and supply chain partners. It includes provisions related to ethical standards, compliance with laws, safe working conditions, and whistleblowing, among other things, which encourages employees to raise concerns about issues they are observing or experiencing in the workplace or within our business functions without fear of reprisal.

Anti-Slavery and Human Trafficking Policy. This policy sets forth our stance on modern slavery and how employees can identify any instances of these practise and where they can report potential non-compliance.

Human Rights. Respect for human rights is a fundamental Chemsyn value that is reflected throughout our policies, procedures and business activities. We recognize the inherent worth of every individual, and we strive to create an inclusive, equitable and diverse work environment where all people are treated with fairness and respect. Discrimination, prejudice, harassment or violence in any form is not tolerated. Chemsyn upholds human rights in its relationships with employees, customers, suppliers and other business partners, and we expect them to share our commitment and avoid causing or contributing to any human rights infringements. We are committed to working with suppliers and business partners that do not engage in human trafficking, child labour, forced labour or any form of slavery. We understand our responsibility as a business to ensure proper measures are implemented to mitigate the risk of modern slavery, child labour, forced labour and human trafficking in our operations and the operations of any, and all supply chain partners we choose to work with.

Supplier Code of Conduct. This code explains our commitment to ethical workplace practices and sets forth the ethical and legal standards we expect our suppliers will adhere to. Suppliers are required to demonstrate that they provide safe working conditions, treat workers with dignity and respect, and act in accordance with all laws and international and organizational standards governing slavery or forced labour (e.g., International Labour Organization). Additionally, any supplier violations of this code may lead to the termination of the business relationship. Chemsyn also makes sure our suppliers are aware of our policies and adhere to the same high standards.

DUE DILIGENCE PROCESS

As part of our ongoing efforts to monitor and reduce the risk of slavery and human trafficking occurring within our supply chains, we may conduct due diligence when considering new suppliers, and regularly review our existing suppliers by:

- Conducting internal supplier assessments through our own staff or a third party, which may have a greater degree of focus on slavery and human trafficking where these types of risks are identified; and
- Demanding corrective measures if Chemsyn becomes aware of any actions or conditions not in compliance with our Supplier Code of Conduct. We also hold the right to terminate an agreement with any supplier who does not comply with our Supplier Code of Conduct or the contractual provisions governing compliance with laws and the provisions set forth in our Code of Conduct.

Our procedures are designed to:

- Establish and assess areas of potential risk in our business and supply chains;
- Monitor potential risk areas in our business and supply chains;
- Reduce the risk of modern slavery and human trafficking occurring in our business and supply chains;
- Provide adequate protection for employees who identify issues within our organization, or with any of our suppliers.

We require that all suppliers adhere to our Anti-Slavery and Human Trafficking Policy. We enforce a strict code of compliance and do not tolerate modern slavery and human trafficking within our supply chains.

TRAINING

We invest in educating our staff to recognize the risks of modern slavery and human trafficking in our business and supply chains. Through our programs, employees are encouraged to identify and report any potential breaches of our anti-slavery and human trafficking policy. Employees are taught the benefits of stringent measures to tackle slavery and human trafficking, as well as the consequences of failing to eradicate slavery and human trafficking from our business and supply chains.

EFFECTIVENESS AND KPIs

Chemsyn is working towards using key performance indicators (KPIs) to measure how successful we have been in ensuring that modern slavery and human trafficking is not taking place in any part of our business or supply chains. Key steps include 1) Issuing our Supplier Code of Conduct to all supply chain partners, 2) ensuring supply chain partners comply with our Supplier Code of Conduct by conducting unannounced supplier audits or internal assessments, and 3) to ensure that our supply chain partners agree to comply with all Canadian laws, our Code of Conduct and Supplier Code of Conduct, as applicable, by way of contractual provisions in our supplier agreements and purchase orders.

APPROVAL OF THIS STATEMENT

This statement is made pursuant to the relevant Canadian legal requirements.

This statement was approved by Domenic Buda on June 5th, 2023.

Signature:



Domenic Buda – CEO / President

Chemsyn Services Inc.

June 5th, 2023