



SECURING YOUR JOURNEY
ALLIÉ DE VOTRE PARCOURS

AMERICAS

850, montée de Liesse

Montreal (Québec) Canada H4T 1P4

Tel : 514 341-3550 fax : 514 341-1292

www.recochem.com

FIGHTING AGAINST FORCED LABOUR AND CHILD LABOUR Annual Report 2024

Introduction

Recochem Inc., a company incorporated under the laws of British Columbia, was founded by Joseph Kuchar in 1951 in Montreal, as a manufacturer and distributor of naphthalene products. Today, we manufacture and distribute a variety of products, including household products, coolants, anti-freezes, windshield washer fluids, and other automotive care products.

Recochem employs over 250 employees in Canada. We operate manufacturing and distribution sites across Canada, including in Quebec, Ontario and Alberta, a research and development laboratory in Alberta and have operations in Australia. Recochem sources materials and equipment from a variety of suppliers located primarily in North America.

Recochem is committed to maintaining the highest standards of business ethics. That commitment includes a commitment to act in accordance with recognized human rights standards. As such, Recochem does not engage in, support, or condone any form of forced or child labour ("Modern Slavery"). We strictly prohibit our employees, suppliers and other business partners from engaging in Modern Slavery.

This report was prepared in accordance with the requirements of the Canadian *Fighting Against Forced Labour and Child Labour in Supply Chains Act* ("**the Act**") and describes the pillars of Recochem's efforts during the reference period ending April 30th, 2024 to ensure the products it sells remain free from Modern Slavery.





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I. Policy Framework

Recochem has adopted a policy framework articulating its commitment to upholding human rights. The corner stones of that framework are its Social Compliance Policy, which articulates its commitment to human rights, and its Global Code of Ethics and Business Conduct (the "Code of Ethics"), which lays the principles guiding the conduct of its business.

A) Social Compliance Policy

Recochem's Social Compliance Policy reflects its commitment to maintaining fair and lawful employment practices that comply with human rights standards. The policy articulates the fundamental importance to the success of our business of operating in a socially responsible and ethical manner, and of complying with applicable laws and regulations. It requires us and our business partners to:

- only engage in fair employment practices;
- provide a safe workplace to our employees;
- provide fair compensation, benefits and working conditions to our employees;
- ensure that employment is freely chosen and that legal employment eligibility is verified prior to hiring;
- comply with Canadian laws, standards, and practices as well as international standards; and
- ensure that employees have the opportunity to report human rights issues freely and confidentially.

It is the responsibility of Recochem's Human Resources Department to ensure that the Social Compliance Policy is communicated to all Recochem employees and that grievance reporting mechanisms are in place.

The Social Compliance Policy states Recochem's expectation that its vendors and business partners at all levels of its supply chain, including third party recruitment agencies, adhere to the principles described therein.





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B) Global Code of Ethics and Business Conduct

Recochem's Code of Ethics applies to its workforce, that of its affiliates and business partners and specifically addresses the issue of Modern Slavery. It states Recochem's commitment to uphold human rights and strictly prohibits the use of child labour and forced labour in its operations and supply chains.

It further provides that any violation of the Code of Ethics or any other violation of human rights or labour laws will result in disciplinary action and the termination of our business relationship, as applicable.

The Code of Ethics encourages employees and business partners to be vigilant and ask questions if they suspect any instance of child labour and/or forced labour, and to immediately report any suspicions or instances of child labour or forced labour.

II. Risk Identification

In addition to its policy framework, Recochem has taken steps to proactively identify risks of Modern Slavery in its operations and supply chains:

- (1) **Employee Training** – To allow its employees to effectively understand, to apply and enforce its policies. Recochem delivered Code of Ethics training in February and March 2024 that included instruction to employees on identifying and preventing instances of Modern Slavery in our operations and supply chain.
- (2) **Supplier Due Diligence and Audits** - Recochem performs diligence on its suppliers to identify risks of Modern Slavery. The diligence process includes a human rights questionnaire designed to identify risks of Modern Slavery to guide the company's investigative and/or remedial action, as appropriate.

III. Addressing the Risk

Recochem leverages a global supply chain to procure the best raw materials and equipment available for its production. Recochem's diligence process has shown the risk of forced and child labour in its manufacturing operations and supply chains to be low.





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No instance of high risk of, or actual Modern Slavery was identified during the reporting period and as such, no corrective action or remediation was required.

Nevertheless, in an effort to better support its ability to sever ties with third parties whose behavior may not meet its standards, Recochem's standards terms of business include a prohibition on any form of child or forced labour within the supplier's operations as well as their supply chain. Our terms of business include termination rights in case of violation of these obligations.

Conclusion

Recochem remains steadfastly committed to protecting society's most vulnerable members through its sustained commitment to eliminate forced and child labour from its supply chains. Although it has not detected any high risk or instance of child or forced labour during the reporting period, it will continue to review and optimize its policies and procedures to ensure they deliver results in line with its unwavering commitment to its business ethics principles.

Attestation

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 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.

I have the authority to bind Recochem Inc.:

Signed by:

Jason Colwell

Jason Colwell, President

Date: 5/27/2025

