

**Colorcon, Inc. Report Prepared Pursuant to
Canada's Fighting Against Forced Labour and Child Labour in Supply Chains Act**

1. Introduction and Identity

This Report is produced by **Colorcon, Inc.** (collectively, "Colorcon", "our", "us" and "we") for the financial reporting year ended December 31st, 2023 (the "**Reporting Period**") and sets out the steps taken to prevent and reduce the risk that forced labour and child labour was used at any step in the production of goods in Canada or elsewhere or of goods imported into Canada.

This Report has been prepared and filed pursuant to Canada's *Fighting Against Forced Labour and Child Labour in Supply Chains Act* (the "**Act**").

2. Steps Taken During the Reporting Period to Prevent and Reduce Risks of Forced Labour and Child Labour

Colorcon and its subsidiaries, (collectively, the "Company") are committed to responsible sourcing and to the prevention of forced labour and child labour in its supply chain.

This Report sets out the actions taken to prevent and reduce the risk that forced labour and/or child labour was used by the Company or in its supply chains during the financial year ended December 31, 2023.

3. Structure, Activities and Supply Chains

Colorcon is a global company headquartered in Harleysville, Pennsylvania in the United States.

Colorcon is a world leader in the design and development of specialty excipients for solid oral dosages for the pharmaceutical and nutritional industries.

Colorcon and its subsidiaries are operationally organized into five regions, with manufacturing and distribution sites located in the United States, Mexico, Argentina, Brazil, UK, France, Germany, China, Japan, Singapore, South Korea, and India.

Colorcon manufactures, distributes and imports specialty excipients for customers in and outside of Canada. Colorcon sites and office locations source raw materials and packaging, technical services and materials, machinery and equipment, corporate services, logistics services, utilities, and IT-related hardware and software from third parties.

Colorcon purchases raw materials and packaging from approved suppliers. Supplier approval includes the mapping of supply chain down to a minimum of the component manufacturers. Qualification consists of supplier questionnaires, checks using third party evaluations, and a risk-based approach to conducting of on-site audit of manufacturers, distributors and forwarders and the use of 3rd party audits of suppliers.

Colorcon is a controlling entity of Healthcare Packaging (US), Inc., which is also a reporting entity and is submitting a separate report under the Act.

4. Policies and Due Diligence Processes

Colorcon's Code of Business Conduct requires all Company employees to comply with all laws in the jurisdictions in which the Company does business, which includes those laws regarding the use of forced labour or child labour. Further, the Code of Business Conduct provides several options for reporting suspected violations including a Business Conduct Hotline accessible by phone and through a website. In addition, the Company's Corporate Responsibility Statement and Guidelines prohibit the Company's use of child labour or forced labour.

The Company's standard supplier contract, currently in place with a number of its suppliers, requires suppliers to comply with all applicable laws in the jurisdictions in which the supplier produces and sells its products. In the standard supplier contract, the Company retains audit rights with regard to the supplier's compliance with the contractual provisions. In addition, the Company's standard terms and conditions of purchase require sellers to warrant that all goods purchased by the Company have been manufactured in compliance with all applicable laws.

A supplier code of conduct policy was introduced in May 2023, pursuant to which suppliers are required, at a minimum, to comply with all applicable laws and regulations regarding working conditions and labour standards. Where local laws are less stringent than the International Labour Organisation ("ILO") Fundamental Principles, the Company's supplier code of conduct provides that the ILO's Fundamental Principles will apply unless prohibited by local laws.

As of May 2023, all new suppliers are required to comply with the supplier code of conduct, with a roll out program in 2024 to require sign up from existing suppliers.

5. Forced Labour and Child Labour Risks and Steps Taken to Assess and Manage These Risks

Colorcon redesigned its supplier of raw materials risk assessment as part of our sustainable procurement policy in 2023. The new risk assessment segments suppliers into high, medium, or low risk for corruption, slavery, environmental, and forced labour and child labour. Implementation of updated risk assessment will take place in 2024. In addition, after confirming that its direct suppliers of raw materials in China were not from the Xinjiang Uyghur Autonomous Region in 2022, Colorcon, in 2023, reviewed the sources of the starting materials of those raw material suppliers for forced labor and child labor risk connected to the Xinjiang Uyghur Autonomous Region and did not find any materials coming from that region.

6. Remediation Measures

No instances of forced labour or child labour have been identified in our supply chain.

7. Remediation of Loss of Income to the Most Vulnerable Families

No instances of loss of income to most vulnerable families have been identified.

8. Training

Colorcon uses a training platform to deploy and track training of our employees. Relevant training is provided to employees based on their role.

The trainings include the Company's Code of Business Conduct, which is mandatory for all new employees. Colorcon's Code of Business Conduct requires all Company employees to comply

with all laws in the jurisdictions in which the Company does business, which includes those laws regarding the use of forced labour or Child labour.

Additional trainings regarding sustainability and sustainable procurement, supplier screening and IT- acceptable use are provided for relevant job roles.

9. Assessing the Effectiveness in Ensuring that Forced Labour and Child Labour are not Being Used in Entity’s Business and Supply Chain

Colorcon regularly reviews its policies and procedures to evaluate and address risks of forced labour and child labour and is working towards the development of key performance indicators to measure the effectiveness of steps it is taking to ensure that forced labour and child labour are not being used in its supply chain.

10. Approval and 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 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 Period listed above.

Date: May 30, 2024

Name: Simon Tasker

Title: Director

Signature: *Simon Tasker*

I have authority to bind the corporation.

The Report was approved pursuant to Section 11(4)(a) of the Act by the Board of Directors of **Colorcon, Inc.** on May 30, 2024.