

2023 MODERN SLAVERY REPORT (the “Report”)

This Report is prepared pursuant to the *Fighting Against Forced Labour and Child Labour in Supply Chains Act* (the “Act”) by Contract Pharmaceuticals Limited Canada (“CPL”, or the “Company”, “our” or “we”). This Report provides an overview of the measures, actions and activities undertaken by CPL to assess, prevent and reduce the risk of forced labour or child labour in its business and supply chain. This Report applies in respect of the Company’s financial year ending December 31, 2023 and is the first report prepared by the Company under the Act.

1. Business and Corporate Structure

CPL is a leading contract development and manufacturing organization that provides development, manufacturing, packaging, and testing of non-sterile liquid and semi-solid pharmaceutical and regulated over-the-counter products. We have two facilities located in Mississauga, Ontario, including our manufacturing and development site, and a quality lab site. Our site segregation and controls allow for the handling and processing of many specialized materials including flammable materials, light or oxygen sensitivity, and hormones. Our facilities are registered with the United States Food and Drug Administration and Health Canada and are routinely audited by regulatory agencies as well as our customers. By offering a full-spectrum partnership – from development to commercial production – CPL creates strategic relationships with our customers that creates mutual benefits.

As of December 31, 2023, we employed approximately 280 individuals across Canada. CPL’s head office is located in Mississauga, Ontario. CPL is a corporation incorporated pursuant to the *Business Corporations Act* (Ontario).

2. Supply Chain

CPL aims to achieve transparency with its suppliers and is focused on critical issues in supply chain management, including ethical procurement and compliance with applicable laws. We have a network of domestic, North American, and international suppliers supporting our Canadian operations. These suppliers are economically diverse in terms of size. In 2023, CPL engaged with over 261 reputable suppliers, including suppliers in the United States of America, Canada, India, China and Europe. These aforementioned geographic areas contribute to the highest proportion of suppliers and vendors based outside of Canada. The majority of our suppliers were located in North America.

With respect to our direct supply chain, our main suppliers provide a range of goods used in our manufacturing business, including:

- Raw materials, including API and excipients;
- Primary and secondary packing components; and
- Lab consumables.

3. Policies, Procedures and Governance

CPL values its reputation for integrity and always conducts its business in a legal and ethical manner. Human rights and ethical business conduct lie at the heart of our business, and we have developed our policies, procedures and governance practice, described in detail below, in line with these values, including with respect to forced labour and child labour.

A. Business Conduct & Public Relations Policy

CPL has adopted a Business Conduct & Public Relations Policy that sets out certain standards that all of the Company’s employees are required to follow. Employees are the Company’s ambassadors and each employee occupies a position of trust in his/her relations with fellow employees, customers, suppliers, competitors, government authorities and the public. Employees are expected to be honest and responsible in all of their relationships and are not permitted to achieve Company objectives through the violation of laws, regulations, or unscrupulous dealings.

Outlined below are principles that reflect the highest standard of business conduct, including with respect to forced labour and child labour. CPL acknowledges that no set of guidelines can provide a comprehensive formula to cover

all possible situations that might be encountered. All CPL employees must ultimately rely on his or her own good sense of what is right. If there are ever doubts about a course of action or mode of behavior, employees are encouraged to seek advice from a supervisor or manager.

Employees: The Company believes that its working environment should recognize the rights, dignity and worth of all employees and applicants for employment. Every individual will be afforded equal employment and promotion opportunities based on his or her qualifications without regard to race, religion, national origin, gender, age, marital status, handicap or lifestyle. The Company will provide all employees with a healthy, safe and productive work environment. It is committed to eliminating hazards from the workplace and complying with all applicable occupational health and safety laws and standards, including with respect to forced labour and child labour.

Relations with Customers & Suppliers: CPL shall respect truth in all of its communications with its customers, and every effort must be made to furnish the customer with clear, accurate and honest information about the quality of products and service. The Company will provide customers with products that are of the highest quality and which meet their specifications. All dealings with customers and suppliers will be fair and above board. Employees will not be involved in the payment or acceptance of payment or benefit to secure any concession, contract or other favorable treatment. In selecting suppliers, the Company will deal with all facts fairly and impartially and will not enter into discussions or arrangements with suppliers contrary to the laws and regulations on competition. Fair but vigorous competition will be the prevailing practice.

Compliance with Laws: CPL and its employees will comply with all legislation, whether domestic or foreign, which govern the Company's business, including with respect to forced labour and child labour.

Environmental Responsibility: CPL actively contributes to environmental protection and undertakes to comply with all laws and regulations affecting the environment. The Company is committed to the anticipation and control of environmental risks. Employees must utilize safe technologies and operating procedures and be prepared for emergencies.

B. Whistleblower Policy

CPL is committed to the highest standards of conduct, ethical behaviour and sound corporate governance and does not tolerate improper conduct. These values and principles also mean that CPL is committed to a culture of corporate compliance and ethical behaviour. This includes providing all eligible parties with the opportunity to report any actual or suspected wrongdoing or any other issue. CPL maintains a Whistleblower Policy to encourage and support the reporting of actual and suspected wrongdoing and misconduct, including with respect to forced labour and child labour.

We are committed to fostering a safe speak up culture and will protect those who report actual or suspected wrongdoing. Employees can confidentially report violations through various channels, including in person, by email or filling out a Whistle Blower Reporting Form. All reports will be thoroughly investigated by CPL's Human Resources Department. CPL will take appropriate action against those who violate the Whistleblower Policy, up to and including termination, and prohibits retaliation against employees who report violations in good faith. All CPL managers and supervisors receive training on the Whistleblower Policy on their respective roles and responsibilities.

C. Workplace Violence & Harassment Policy and Program

CPL is committed to the prevention of workplace violence and harassment and is responsible for ensuring an employee's health and safety, including with respect to forced labour and child labour. Management will take the necessary reasonable steps to protect our workers from workplace violence and harassment from all sources. CPL maintains a Workplace Violence and Harassment Policy that applies to all employees, site visitors, clients, contractors/subcontractors and volunteers. All incidents and complaints of workplace violence will be investigated in a fair and timely manner.

CPL is committed to ensuring that every employee has the right to freedom from harassment, discrimination or intimidation in the workplace by the employer, other employees and customers/vendors. CPL will not condone

harassment, discrimination or intimidation of any kind. This includes discriminating behaviour based on race, national or ethnic origin, ancestry, nationality or citizenship, colour, religion, creed, age, sex, marital status, family status, physical or mental handicap, language, social origin or sexual orientation.

CPL provides mandatory training to all employees, including managers and supervisors, on the Workplace Violence & Harassment Policy through its Workplace Violence and Harassment Program.

D. Sustainable Procurement Policy

At CPL we believe that the successful future of our business and of the customers we serve, depends upon the sustainability of the environment, community, and the economy in which we operate, and we have enacted a Sustainable Procurement Policy relating to the procurement of materials in our supply chain.

We are committed to implementation of fundamental principals of human rights, labor and environmental protection. We understand the industry standard and practices, the advantages CPL will acquire from a sustainable procurement system, therefore we are rooting towards responsible procurement, procuring goods, services or work in a manner that is considerate of positive impact by:

- Considering the importance of profitability and generation of value;
- Enrichment value chain procurement to ethical selling; and
- Purchasing that helps mitigate climate change, drive towards use of renewable energy and net zero emissions.

CPL will use a risk-based approach evaluation criteria for the supplier selection process by conducting due diligence checks on suppliers, including relating to the impact of, identifying, preventing and mitigating the risks of human rights abuses, including those relating to forced labour and child labour, in its supply chain.

We are dedicated to the implementation of processes and practices that help reduce environmental impact and at the same time reduce the costs associated with materials, energy, emissions, and disposal by supporting and promoting Corporate Social Responsibility to maintain business continuity, facilitate continual improvement and compliance with the expectations of these principles.

CPL requires all suppliers to complete a Sustainable Supplier Questionnaire and Assessment Form disclosing information relating to labour practices and human rights, management systems, the environment and health and safety. Upon submission of the Sustainable Supplier Questionnaire and Assessment Form by a supplier, CPL will assess suppliers and require corrective action for any instances of non-compliance.

4. Areas of Risk and Remediation Measures

We have identified parts of our activities and supply chain that carry a risk of forced labour or child labour and will continue to strive to identify any emerging risks. We have identified risks relating to forced labour and child labour in the types of products we source.

CPL has not identified any instances of forced labour or child labour in its supply chain. No situations have arisen requiring implementation of any remediation measures, including the remediation of loss of income to the most vulnerable families that results from any measure taken to eliminate the use of forced labour or child labour in its activities and supply chain.

5. Assessing Effectiveness

CPL acknowledges that forced labour and child labour are possible risks within its business and supply chain. We undertake various steps to address this risk, including (1) periodically reviewing our policies and business practices to ensure that they reflect our commitment to reducing the risk of forced labour and child labour in our business and supply chain and (2) working with our suppliers to measure the effectiveness of their actions to address forced labour and child labour, including by tracking relevant performance indicators.

6. Attestation

This Report was approved by the board of directors of CPL pursuant to section 11(4)(a) 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 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 year listed above.

Signed “Jan Sahai”

Jan Sahai
Director, Contract Pharmaceuticals Limited Canada

I have the authority to bind Contract Pharmaceuticals Limited Canada

May 29th, 2024