

Anti-Slavery and Forced Labour Report

Next Hydrogen Solutions Inc.

2024-05-31

Introduction

This report provides an overview of the corporation's commitment and efforts to eradicate slavery and forced labour from its business activities and supply chain, in compliance with the relevant laws and regulations, such as the Canadian Modern Slavery Act 2018 and the US Trafficking Victims Protection Act 2000. The report also outlines the main challenges and risks that the corporation faces in this area, and the measures it takes to mitigate them.

Our Policies and Principles

The corporation has a zero-tolerance policy towards slavery and forced labour in any form and respects and upholds the human rights of all its employees, contractors, suppliers, and customers. The corporation adheres to the following principles and standards that guide its actions and decisions in this regard:

- The Universal Declaration of Human Rights and the International Labour Organization's Declaration on Fundamental Principles and Rights at Work, which prohibit slavery, servitude, forced or compulsory labour, and human trafficking.
- The United Nations Guiding Principles on Business and Human Rights, which provide a framework for the corporation to respect, protect, and remedy human rights impacts in its operations and supply chain.
- The OECD Guidelines for Multinational Enterprises, which recommend that the corporation conducts due diligence to identify, prevent, and address actual or potential adverse human rights impacts in its business activities and supply chain.
- The Ethical Trading Initiative Base Code, which sets out the minimum labour standards that the corporation expects from its suppliers and contractors, including the prohibition of slavery and forced labour.
- The Corporation's Code of Conduct, which defines the values and principles that the corporation and its employees must follow in their daily work, and the ethical and legal obligations that they must comply with.
- The Corporation's Supplier Code of Conduct, which will specify the requirements and expectations that the corporation has for its suppliers and contractors regarding their social, environmental, and ethical practices, including the prohibition of slavery and forced labour.

Our Actions and Initiatives

The corporation implements a range of actions and initiatives to prevent and combat slavery and forced labour in its operations and supply chain, such as:

- Conducting regular human rights due diligence to identify, assess, and address the potential and actual risks and impacts of slavery and forced labour in its business activities and supply chain, in consultation with relevant stakeholders, such as employees, suppliers, customers, civil society, and government agencies.
- Establishing and enforcing contractual clauses and agreements with its suppliers and contractors that require them to comply with the corporation's policies and standards on slavery and forced labour, and to provide evidence of their compliance upon request.
- Providing training and awareness-raising programs for its employees, managers, and suppliers on the corporation's policies and standards on slavery and forced labour, and the roles and responsibilities that they have in ensuring their implementation and compliance.
- Developing and implementing a grievance mechanism that allows its employees, suppliers, contractors, and other stakeholders to report any concerns or complaints related to slavery and forced labour in the corporation's operations and supply chain, and to receive a prompt and fair response and remedy.
- Engaging and collaborating with external partners and initiatives, such as industry associations, multi-stakeholder platforms, civil society organizations, and government agencies, to share best practices, learn from others, and contribute to the collective efforts to eradicate slavery and forced labour from the global economy.

Our Challenges and Risks

The corporation recognizes that slavery and forced labour are complex and pervasive issues that affect many sectors and regions of the world, and that it faces various challenges and risks in its efforts to prevent and combat them, such as:

- The lack of reliable and comprehensive data and information on the prevalence and nature of slavery and forced labour in some of the countries and industries where the corporation operates or sources its products and services, which hampers its ability to identify and assess the risks and impacts accurately and effectively.
- The potential exposure to legal, reputational, and operational risks and liabilities, if the corporation or any of its suppliers or contractors are found to be involved in or linked to slavery and forced labour, which could result in fines, sanctions, lawsuits, boycotts, protests, or loss of contracts, customers, or investors.
- The dynamic and evolving nature of the regulatory and societal expectations and demands on the corporation's performance and reporting on slavery and forced labour, which requires the corporation to constantly review and update its policies, standards, and practices, and to communicate and disclose its progress and challenges in a clear and credible manner.

Conclusion

The corporation is committed to preventing and combating slavery and forced labour in its operations and supply chain, and to respecting and promoting the human rights of all its stakeholders. The corporation acknowledges that it has a responsibility and an opportunity to contribute to the global efforts to eradicate these abhorrent practices, and that it also faces significant challenges and risks in this endeavour. The corporation will continue to implement and improve its policies, standards, and initiatives in this area, and to engage and collaborate with its internal and external partners and stakeholders, to achieve its goals and objectives, and to address its gaps and shortcomings. The corporation welcomes any feedback or suggestions on how it can enhance its performance and reporting on slavery and forced labour, and invites anyone who has any concerns or complaints related to this issue to contact the corporation through its grievance mechanism or other channels.

Attestation of the Anti-Slavery and Forced Labour Report

I attest that the information and data in the Anti-Slavery and Forced Labour Report for the year ended 31 December 2023 are true and accurate to the best of my knowledge and belief, and that they reflect the steps we have taken to identify any risks of modern slavery and forced labour in our operations and supply chains. I also acknowledge that we have ongoing work to do and that we will continue to strive for excellence and leadership on this critical issue. I welcome any feedback or suggestions from our stakeholders on how we can further improve our approach and performance on the prevention and mitigation of modern slavery and forced labour in our business and supply chains.



Walter Howard

Chair of the Governance committee

28 May 2024



Raveel Afzaal

President and CEO

28 May 2024