

Annual Report

Canadian Forced Labor Act Questionnaire

Reporting for entities

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, Robert Traub, have the authority to bind Quaker Houghton Canada Inc.

Signature:



Date:

05.17.2024

Robert Traub
SVP, General Counsel & Corporate Secretary

Annual Report

Canadian Forced Labor Act Questionnaire

1. *This report is for which of the following? (Required)

- Entity

2. *Legal name of reporting entity or government institution (Required)

- Quaker Houghton Canada Inc.

3. *Financial reporting year (Required)

- January 1st, 2023-December 31st, 2023

4. *Is this a revised version of a report already submitted this reporting year? (Required)

- No

4.1 *If yes, identify the date the original report was submitted. (Required)

- Not applicable

4.2 *Describe the changes made to the original report, including by listing the questions or sections that were revised (1,500 character limit). (Required)

- This report is not a revision.

5. For entities only: Business number(s) (if applicable):

Quaker Houghton Canada Inc.

- Registration No.: 001284116
- HST Number: 87988192 RT0001
- Business No. (Federal Income Tax): 871988192 RC0004
- QST Registration Number: 1229690015

6. For entities only: *Is this a joint report? (Required)

- No

6.1 *If yes, identify the legal name of each entity covered by this report. (Required)

- Not applicable

6.2 Identify the business number(s) of each entity covered by this report (if applicable).

- Single entity, details listed in response to question 5 above

7. For entities only: *Is the entity also subject to reporting requirements under supply chain legislation in another jurisdiction? (Required)

- No, our Canadian entity is not subject to report under supply chain legislation in another jurisdiction.

7.1 *If yes, indicate the applicable law(s). Select all that apply. (Required)

- Not applicable

8. For entities only: *Which of the following categorizations applies to the entity? Select all that apply. (Required)

- Canadian business presence (select all that apply):
 - Has a place of business in Canada
 - Does business in Canada
 - Has assets in Canada
- Meets size-related thresholds (select all that apply):
 - Has at least \$20 million in assets for at least one of its two most recent financial years
 - Has generated at least \$40 million in revenue for at least one of its two most recent financial years

9. For entities only: *Which of the following sectors or industries does the entity operate in? Select all that apply. (Required)

- Manufacturing
- Wholesale and retail trade
- Transportation and warehousing
- Administrative and support, waste management and remediation services
 - Other services: QH Fluid Intelligence and QH Fluidtrend provide solutions that support smart manufacturing and optimal fluid management, adds end-to-end visibility throughout a production plant, reveals the health of the fluids being used, and the health of the machines and processes

10. For entities only: *In which country is the entity headquartered or principally located? (Required)

- Canada

10.1 If in Canada: *In which province or territory is the entity headquartered or principally located? (Required)

- Our registered Canada office, Quaker Houghton Canada Inc., is located in Toronto, Ontario.

11. For government institutions only: *Is this a report for a federal Crown corporation or a subsidiary of a federal Crown corporation? (Required)

- Not applicable

11.1 *If yes, which of the following sectors or industries does the Crown corporation or subsidiary operate in? Select all that apply. (Required)

- Not Applicable

11.2 *If yes, in which province or territory is the Crown corporation or subsidiary headquartered or principally located? (Required)

- Not Applicable

Reporting for entities

1. *What steps has the entity taken in the previous financial year to prevent and reduce the risk that forced labour or child labour is used at any step of the production of goods in Canada or elsewhere by the entity or of goods imported into Canada by the entity? Select all that apply. (Required)

- Mapping supply chains
- Conducting an internal assessment of risks of forced labour and/or child labour in the organization's activities and supply chains
- Developing and implementing due diligence policies and processes for identifying, addressing and prohibiting the use of forced labour and/or child labour in the organization's activities and supply chains
- Requiring suppliers to have in place policies and procedures for identifying and prohibiting the use of forced labour and/or child labour in their activities and supply chains

2. Please provide additional information describing the steps taken (if applicable) (1,500 character limit).

- Quaker Houghton Procurement has mapped out supply chain by determining the country of origin for all raw materials and packaging materials.
- We have set a KPI that all suppliers over \$ 100 K annually are required to agree to our supplier code of conduct. Please see [Supplier Code of Conduct](#) for further details
- Our partner, Ecovadis provides a third-party platform to assess the sustainability practices of our suppliers. Ecovadis monitors and flags any unfair labor practices.

3. *Which of the following accurately describes the entity's structure? (Required)

- Corporation

**4. *Which of the following accurately describes the entity's activities?
Select all that apply. (Required)**

- Producing goods in Canada
- Selling goods in Canada and outside Canada
- Distributing goods in Canada and outside Canada
- Importing into Canada goods produced outside Canada

5. Please provide additional information on the entity's structure, activities and supply chains (1,500 character limit).

- See [sustainability report](#) or specify any additional information required.

6. *Does the entity currently have policies and due diligence processes in place related to forced labour and/or child labour? (Required)

- Yes

**6.1 *If yes, which of the following elements of the due diligence process has the entity implemented in relation to forced labour and/or child labour?
Select all that apply. (Required)**

- Embedding responsible business conduct into policies and management systems
- Partner screening

7. Please provide additional information on the entity's policies and due diligence processes in relation to forced labour and child labour (if applicable) (1,500 character limit).

- Please see [Code of Conduct](#) and [Supplier Code of Conduct](#) for further details.

8. *Has the entity identified parts of its activities and supply chains that carry a risk of forced labour or child labour being used? (Required)

- Yes, we have started the process of identifying risks, this is an ongoing effort

8.1 *If yes, has the entity identified forced labour or child labour risks related to any of the following aspects of its activities and supply chains? Select all that apply. (Required)

- Tier one (direct) suppliers – 100% of larger \$100K (spend) direct suppliers have signed agreement

9. *Has the entity identified forced labour or child labour risks in its activities and supply chains related to any of the following sectors and industries? Select all that apply. (Required)

- None of the above

10. Please provide additional information on the parts of the entity's activities and supply chains that carry a risk of forced labour or child labour being used, as well as the steps that the entity has taken to assess and manage that risk (if applicable) (1,500 character limit).

- See [sustainability report](#) or specify any additional information required.

11. *Has the entity taken any measures to remediate any forced labour or child labour in its activities and supply chains? (Required)

- Not applicable, we have not identified any forced labour or child labour in our activities and supply chains.

11.1 *If yes, which remediation measures has the entity taken? Select all that apply. (Required)

- Not applicable

12. Please provide additional information on any measures the entity has taken to remediate any forced labour or child labour (if applicable) (1,500 character limit).

- See [sustainability report](#) or specify any additional information required.

13. *Has the entity taken any measures to remediate the 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 chains? (Required)

- Not applicable, we have not identified any loss of income to vulnerable families resulting from measures taken to eliminate the use of forced labour or child labour in our activities and supply chains.

14. Please provide additional information on any measures the entity has taken to remediate the 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 chains (if applicable) (1,500 character limit).

- Not applicable

15. *Does the entity currently provide training to employees on forced labour and/or child labour? (Required)

- Yes

15.1 *If yes, is the training mandatory? (Required)

- Yes, the training is mandatory for all employees.

16. Please provide additional information on the training the entity provides to employees on forced labour and child labour (if applicable). (1,500 character limit).

- Human Rights and Supply Chain annual training



17. *Does the entity currently have policies and procedures in place to assess its effectiveness in ensuring that forced labour and child labour are not being used in its activities and supply chains? (Required)

- No

17.1 *If yes, what method does the entity use to assess its effectiveness? Select all that apply. (Required)

- Pending additional measures in this area

18. Please provide additional information on how the entity assesses its effectiveness in ensuring that forced labour and child labour are not being used in its activities and supply chains (if applicable). (1,500 character limit).

- Not applicable