



TIMBER SPECIALTIES LIMITED
KOPPERS ASHCROFT INC.
MODERN SLAVERY JOINT REPORT

This Modern Slavery Joint Report (Report) is made by Koppers Ashcroft Inc. (Koppers Ashcroft) and Timber Specialties Limited (Timber Specialties, and together with Koppers Ashcroft, collectively Koppers Canada) for the reporting period 1 January 2023 to 31 December 2023. Koppers Canada understands the need to address the issue of modern slavery and has prepared this Report pursuant to Part 2 of the Fighting Against Forced Labour and Child Labour in Supply Chains Act (the Act).

Koppers Canada recognises that modern slavery includes situations where coercion, threats or deception are used to exploit people and undermine or deprive them of their freedom and this can occur in many forms, including: trafficking in persons, slavery, servitude, forced marriage, forced labour, debt bondage, deceptive recruiting for labour or services and child labour. The company further acknowledges that it has an obligation to protect human rights, starting from the way it conducts its business and is committed to ensuring there is transparency in its operations and approach to tackling modern slavery.

In preparing this Report, Koppers Canada has had regard to various pieces of literature including the “Prepare a report/Guidance for entities” information published by Public Safety Canada, as well as the Global Slavery Index 2023 updates¹. We understand the Global Slavery Index has updated the estimated numbers of modern slavery around the world to be 50 million people, an increase of 10 million since the 2016 estimates. As such, we know it is more important than ever to continue progressing our approach to modern slavery risks. This Report seeks to address each of the eight mandatory reporting criteria in the Act.

1. Structure, Activities and Supply Chains

1.1 Reporting Entities Structure

Timber Specialties (OCN 1868071) is a Canadian private limited company, incorporated in Ontario with a registered office in Toronto. Timber Specialties does not own or control any other entities. The company is a wholly owned subsidiary of Koppers International B.V., a private company with limited liability organized under the laws of the Netherlands (company number 34299892), which is not a reporting entity under the Act, and is ultimately owned by Koppers Holdings Inc., a publicly listed company on the New York Stock Exchange whose head office is in Pennsylvania, United States. Timber Specialties employs 6 employees.

Koppers Ashcroft (BC 0986637) is a Canadian corporation incorporated in British Columbia with a registered office in Vancouver. Koppers Ashcroft does not own or control any other entities. The company is a wholly owned subsidiary of Koppers World-Wide Ventures Corporation, a corporation incorporated under the laws of Delaware, United States (File

¹ <https://www.walkfree.org/global-slavery-index/>

number 2294776), which is not a reporting entity under the Act, and is also ultimately owned by Koppers Holdings Inc. Koppers Ashcroft employs 30 employees.

1.2 Activities

The key operating activities conducted by Timber Specialties are:

- the sale of wood preservatives and plant equipment to wood preservation facilities in Canada; and
- the provision of engineering, technical and marketing support for its Canadian customers.

The key operating activities conducted by Koppers Ashcroft are:

- the treatment and provision of high-quality, creosote-treated crossties and switch ties to the rail industry.

Both Timber Specialties and Koppers Ashcroft typically deliver products to customers by either road or rail car freight. Most delivery functions are outsourced to third party carriers or are collected from the specific Koppers Canada site by the customer's nominated freight carrier.

1.3 Supply Chains

Koppers Canada seeks to do business with suppliers that have similar values and ethical and sustainable business practices as Koppers Canada, including in relation to human rights.

Timber Specialties engaged approximately 80 direct suppliers in the reporting period, while Koppers Ashcroft engaged approximately 135 direct suppliers in the reporting period. We acknowledge that our supply chain extends beyond these direct contractual relationships.

Timber Specialties engages a diverse range of suppliers directly, including but not limited to suppliers of: raw materials; telecommunications; insurance; road and rail freight and shipping; customs brokerage and compliance services; professional services such as legal, accounting and payroll; consulting; banking; media and branding; security; laboratory testing products and services; cleaning and security services; uniform services; and postage services.

Koppers Ashcroft similarly engages a diverse range of suppliers directly, including but not limited to suppliers of: wholesale building materials and industrial equipment; industrial lumber; engineering and construction services; railway construction and maintenance; electricity and natural gas distribution; construction vehicles; cleaning services; recycling services; professional services such as commercial equipment financing and leasing, insurance, accounting and payroll; consulting; banking; and employment staffing services.

Of Timber Specialties' and Koppers Ashcroft's direct suppliers, 100% are located in either Canada or the United States. However, we understand that a number of our Canadian or United States' suppliers are in fact distributors who may source the products from other countries.

2. Risks of Modern Slavery Practices in Koppers Canada's Operations and Supply Chain

2.1. Risk Identification

This Report sets out Koppers Canada's actions towards ensuring that slavery and human trafficking are not taking place in our own operations or in our supply chains. We understand that in order to take a more effective approach to doing so, we must continue to identify where the potential risks of modern slavery may exist in our business. Koppers Canada understands

that every entity has risks of modern slavery in its operations and supply chains. Koppers Canada is also aware that risks in this space are fluid and change as the world does, requiring re-examination each reporting period.

2.2. Assessment of Business Risk of Forced Labour in Operations

Koppers Canada's operations involve sales and manufacturing. Manufacturing is identified in available literature as a higher risk industry for modern slavery. Generally speaking, we understand that often manufacturing can involve a high degree of out-sourcing and sub-contracting – both of which reduce control and visibility an entity has over its operations. These strategies are often taken by organisations for cost-saving reasons, but this kind of expense-management can place vulnerable workers at risk as budgetary pressures are forced down an entity's supply chain. Koppers Canada does not out-source or sub-contract its direct manufacturing process (largely performed within the Koppers Ashcroft entity); which we believe reduces its risk for modern slavery.

2.3. Assessment of Business Risk of Forced Labour in Supply Chains

Koppers Canada understands that the risks relating to suppliers will vary depending on their industry, geographic location, company size and various other factors.

Of Koppers Canada's direct suppliers, 100% are located in Canada or the United States. Utilising the updated Global Slavery Index, Canada and the United States are considered lower risk locations. These countries have a prevalence rate of 3.3 people or under per 1,000 people for modern slavery.

Koppers Canada procures goods and services that are in the following higher risk categories: various raw materials, security services, information and technology hardware and software, maintenance and cleaning services, postage, printing and stationery, food and groceries, and uniforms and personal protective equipment for its employees.

While Koppers Canada is still endeavouring to gain visibility farther back into its supply chain for raw materials, at least with regard to our direct suppliers of raw materials, we have negotiated agreements requiring them to comply with all applicable laws, including forced labour and human rights laws. More generally, Koppers Inc., a wholly-owned subsidiary of Koppers Holdings Inc., headquartered in Pennsylvania, United States (collectively with its direct and indirect subsidiaries, including without limitation, Timber Specialties and Koppers Ashcroft, "Koppers") has standard terms and conditions applicable to purchase orders for goods and services. These terms and conditions also include requirements for suppliers to comply with all applicable laws, including anti-slavery, human rights, human trafficking and labour laws.

Our supplier relationships can range from long term arrangements typically for raw materials, to shorter term arrangements for maintenance, consumable products and one-off services and products. We understand that shorter term arrangements can pose a greater risk of modern slavery as we will often have reduced visibility, knowledge, and control over those suppliers compared with our longer term arrangements. Regardless of the length of the business arrangement, each of Koppers Canada's direct suppliers is vetted through a third-party vendor due diligence system. Based on this high-level review of Koppers Canada's direct suppliers, including sanctions and adverse media (i.e., reputation), we do not believe we have a high risk of forced labour in our direct supply chain.

3. Relevant Corporate Policies

In response to the potential risks identified by the supply chain above, Koppers has been working to build upon the different policies and processes it has put in place to reduce those risks in an effective way across the entire organization.

3.1. Our Code of Conduct

Our Code of Conduct² requires employees, managers, executives, and directors of the company to obey the law and to assist the company in doing business in full compliance with the law, including laws related to labour and worker health and safety. Our Code of Conduct also expressly states that we will comply with all laws prohibiting forced compulsory and child labour, and human trafficking. We provide all employees with the opportunity and means to raise concerns about potential violations of our Code of Conduct or the law by reporting such violations to the Director of Compliance or management or through an anonymous phone, web, and email compliance line. Violations of the Code of Conduct or the law are not tolerated or condoned and can result in suspension or termination of employment.

Koppers expects the same ethical conduct from its suppliers and remains committed to safety in our supply chain as we strive to be the most valued supplier of quality products and services in the industries we serve. Koppers is committed to conducting business in an ethical and responsible manner that supports and respects the protection of human rights and we desire to do business with partners who aspire to conduct their business in a similar manner. Koppers upholds high ethical standards and values, which include prohibiting illegal or unethical employment or business practices, including child labour, forced labour, or other forms of slavery or human trafficking.

3.2. Other Policies

Koppers corporate governance framework seeks to address the complex risks associated with modern slavery, not only by its Code of Conduct, but by the number of workplace policies it has in place to ensure performance in accordance with the principle of best practice and continuous improvement. These policies include: Anti-Corruption, Conflicts of Interest, Ethics and Compliance Program, General Rules of Conduct on the Job, Reporting Non-Compliance and Wrongdoing, Investigations of Non-Compliance and Wrongdoing, and Risk Management.

Koppers also recognizes the importance of respecting, supporting and promoting international principles aimed at protecting human rights. Koppers Human Rights Statement³ emphasizes our commitment to the communities that we serve and in which we operate to protect and uphold the human rights and dignity of individuals within our operations and supply chain.

4. Actions Taken to Assess and Address Modern Slavery Risks, Due Diligence and Remediation of Risks

4.1 Our Corporate Values

Koppers is committed to conducting business in accordance with our Corporate Values, which we publish on our website. We expect every employee, manager, executive, and director of the company to uphold the highest standards of ethics, compliance, and transparency. Our goal is to act with honesty and integrity in all business and community dealings. These

² Available on our website, www.koppers.com.

³ Available on our website, www.koppers.com.

expectations are set forth in Koppers Code of Conduct and reflected in our sustainability efforts.⁴

4.2. Responsible Care Standards

The American Chemistry Council has created a Responsible Care Standard for chemical companies and their suppliers referred to as RC 14001. Koppers has established RC 14001 compliant policies, processes, and procedures at several of its and its subsidiaries' operating locations, including the Koppers Ashcroft wood preservation facility in Ashcroft, BC and the office and laboratory facility in Griffin, Georgia, USA, which serves as the principal location for research and development, product safety, and product stewardship for the organization's Performance Chemicals business segment, of which Timber Specialties is a part. The RC 14001 policies, processes, and procedures start from the premise that full compliance with all applicable legal requirements is the minimum level of performance. Koppers utilizes a third party to perform its verification processes to ensure it satisfies the requirements of RC 14001.

This standard requires that Koppers, commensurate with risk, has systems to qualify and periodically review carriers, suppliers, distributors, customers, contractors, and third-party providers based on, among other things, health and safety. Qualification of our "high-risk" carriers, suppliers, distributors, customers, contractors, and third-party partners provides Koppers with a method to review our business partners' commitment to health and safety. This process involves reviewing a third party partner's management system, workers compensation loss history, incident rates, job related fatalities, recent regulatory citations, insurance policies and other items by region such as whether the third party has a written safety policy, proof of competency (including employee training records), method statements relevant to the work to be carried out, risk assessments on the proposed project, and a review of other regulatory requirements applicable to the third-party.

5. Remediation

5.1 Measures Taken to Remediate any Forced Labour or Child Labor

Koppers Canada has not identified any instances of forced labour or child labour in its supply chain. Therefore, no remediation efforts were conducted during the reporting period.

5.2 Measures Taken to Remediate Loss of Income Resulting From Measures to Eliminate Forced Labour or Child Labour

Because Koppers Canada has not identified any risk of forced labour or child labour in its supply chain, we have not identified any loss of income to vulnerable families resulting from any forced labour or child labour.

6. Training

Our annual Code of Conduct training includes modules on Modern Slavery and spotting human trafficking victims. In addition, due the heightened risk of modern slavery and human trafficking in the trucking industry, Koppers trucking employees also complete a specific "Truckers Against Trafficking" training program.

Koppers regularly circulates safety-awareness emails to all staff. These safety awareness emails have included tips for recognizing the signs of modern slavery. For instance, in January 2022, Koppers notified all employees globally that the Commercial Vehicle Safety Alliance (CVSA) had developed a multi-day program called the Human Trafficking Awareness Initiative

⁴ Available on our website, www.koppers.com.

(HTAI) throughout the US and Canada, intended to combat human trafficking. At that same time, we made all employees aware that the HTAI training in Canada will occur on an annual basis going forward.

Our *Reporting Non-Compliance and Wrongdoing* and *Investigations of Non-Compliance and Wrongdoing Policies* encourage employees and others working for Koppers to report incidents or concerns and assist us in tackling non-compliance with law or Koppers policies including issues relating to modern slavery. Information on how to contact Koppers global Compliance Line is available in these policies and posted at every Koppers location. We provide training on these reporting avenues each year.

7. Assessment of Effectiveness of Actions Taken

7.1 Assessment Through the RC 14001 Management System

The RC 14001 management system provides Koppers with a method to review our business partners' commitment to health and safety and requires our business partners to provide Koppers with a right to audit compliance with our requirements. This management system also requires these business partners certify to regulatory compliance and provide Koppers with a right to audit compliance with our requirements. While RC 14001 directs a certain level of regulatory compliance, which includes compliance with applicable labour laws, it does not contain requirements relating to human trafficking or slave labour specifically. However, it does enable Koppers to obtain a large degree of visibility over the operations of our suppliers and into various factors that may still indicate the presence or absence of modern slavery risks.

7.2 Employee Feedback

We also have reporting mechanisms as detailed above. The feedback received through these avenues will be reviewed as it is received and will assist us in better understanding the nature and prevalence of any risks within our operations and supply chains, allowing us to adjust our approach accordingly to ensure effectiveness. Koppers considers that staff requests for more training indicates that our actions to increase staff awareness have been effective.

7.3 Overall Assessment for the 2023 Reporting Period

During the 2023 reporting period, Koppers Canada did not identify any instances of forced labour or child labour in the production of goods in Canada or elsewhere. We believe that means our current preventative measures are effective; however, we also understand that the risks of modern slavery can change over time and require continued reassessment, globally. We are prepared to change our approach and assessment as necessary for future reporting periods.

7.4 Assessment for the Next Reporting Period

Prior to the next filing period (May 31, 2025), Koppers Canada intends to conduct a risk analysis of five suppliers that we believe to pose the highest risk in our supply chain. This analysis is based on the types of goods and services procured. We have a particular focus on shipping vendors, the service industry, and raw material suppliers. Koppers Canada considers that these suppliers have demonstrated high levels of integrity in all dealings to date, but understands that it needs to seek further modern slavery specific information to better understand any risks that may be present.

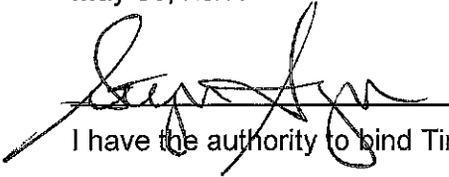
Approval

This Report was approved by unanimous written consent of the Board of Directors of each of Timber Specialties Limited and Koppers Ashcroft Inc. on May 30, 2024.

Attestations

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.

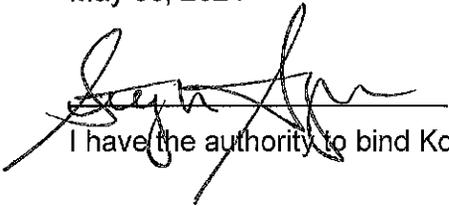
Stephanie L. Apostolou
Director
May 30, 2024



I have the authority to bind Timber Specialties Limited.

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.

Stephanie L. Apostolou
Director
May 30, 2024



I have the authority to bind Koppers Ashcroft Inc.