

## 2024 Modern Slavery Report



### 1. Introduction

This report is a joint report (the "**Report**") produced by NCH Corporation ("**NCH Corp**"), the controlling entity on behalf of itself and NCH Canada Inc. ("**NCH Canada**"), a subsidiary, (collectively "**NCH**", or the "**Corporation**" or "**our**" or "**we**"). This report is for the fiscal year ending December 31, 2024 (the "**Reporting Period**") and sets out the steps taken to prevent and reduce the risk that forced labour or child labour is used in any step of the production of goods in Canada or elsewhere or of goods imported into Canada by the business.

This is the second Report prepared by NCH Corp pursuant to Canada's new *Fighting Against Forced Labour and Child Labour in Supply Chains Act* (the "**Act**"). While NCH does not report under any similar reporting regimes, NCH (UK) Limited is a reporting entity under the UK *Modern Slavery Act* of 2015.

NCH has a zero-tolerance approach to child and forced labour. At NCH, we are committed to acting ethically and with integrity in all our business dealings and relationships and strive to prevent and reduce the risk of child and forced labour in our business or supply chains.

## 2. Steps to prevent and reduce risks of forced labour and child labour

We consider the respect of human rights to be a fundamental corporate responsibility and a value governing all our activities. We have global operations and are committed to partnering with responsible suppliers who promote human rights and ethical business practices. At NCH we do not tolerate forced labour or child labour within our organization, and we place the highest importance on respecting human rights while conducting our business everywhere we operate. We expect the same of our partners, suppliers and vendors.

During this reporting period, NCH created a Supplier Code of Conduct policy and took the initiative to identify and vet the top 50 Suppliers, based on the total amount spent within each of the four global regions (Latin America, Asia Pacific, Europe and North America). A review of the original data by region shows the Asia Pacific region was dominated by Suppliers from China, and a decision was made to create a top 50 Suppliers for China solely, and a second group for the rest of Asia Pacific. This was based on the belief that the highest probability of child and forced labor could occur in China. This resulted in the global identification of our top 250 suppliers.

Once the 250 suppliers were identified, each were vetted through a third-party due diligence database. Vetting consisted of searching the web and other sources to ensure there was no involvement as it relates to human rights violations, human trafficking or negative publicity and/or allegations related to human rights impact. Once the supplier is placed in the third-party database, the system continually monitors for any adverse information associated with the entity, and should any be found, the system notifies the end user to log into the platform and review the incident or report in question.

## 3. Structure, activities and supply chains

NCH Corp. is incorporated under US law in Delaware. It is a 106-year-old, privately held chemical, industrial maintenance and water treatment company headquartered in Irving, Texas. NCH Corp. is the ultimate parent company of a global business with over 6,000 employees in 56 countries which operate in the four regions previously mentioned – with North American Chemicals (North America and Canada, being the largest and most profitable region). NCH Corp operates its global business through subsidiaries in the four regions, one of which is NCH Canada.<sup>1</sup>

NCH Canada is incorporated under the *Canada Business Corporations Act* and maintains an office and plant in Brampton, Ontario. NCH Canada has five core business groups - Certified, Chem-Aqua, Chemsearch, Pure Solve and Danco/LSP. These business units engage in the sale of chemicals, lubricants, aerosols, water treatment, biologicals, facilities engineering, plumbing products and services.

In Canada, NCH's products are manufactured in Brampton, Ontario. In the United States, company products are manufactured in Irving and Greenville, Texas, Indianapolis, Indiana, and Macon, Georgia. Operations in those facilities manufacture lubricants, water treatment, and industrial maintenance chemicals along with the equipment used in their applications. We are a business to business or "B2B" company with no direct sales to individual customers. Many members of our sales force are commissioned employees who engage in direct face to face interactions with prospective customers. If a sale is generated, products are delivered to customers by NCH Corp or NCH Canada.

Marketing of NCH's products are provided both through the local NCH Canada office in Brampton, Ontario, and corporate headquarters in Irving, Texas. Sales of company products are done through sales teams at headquarters or NCH Canada.

NCH's global supply chain consists of product suppliers, providing raw petroleum products, materials and additives such as greases, lubricants, chemicals, aerosols, probiotics, plumbing supplies and water

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<sup>1</sup> Of NCH Corp's subsidiaries, NCH Canada is the only "entity" as defined by the Act.

treatment. We provide chemicals, components, items and systems required to manufacture and support water treatment technology that are secured from suppliers around the world and vary from product to product. Most of these materials, components and systems are provided by suppliers with which NCH Corp has long-term contracts.

As part of our business, NCH strives to maintain long-term relationships with major direct and indirect suppliers for the delivery of materials, systems, components to build and deliver chemicals, water treatment and support customers with related services. NCH operates distribution facilities in the US and Canada. NCH also has 15 other supplier locations throughout the world which are independently run and operated by third parties. Within its supply chain, NCH has built relationships with suppliers worldwide in production, indirect goods, services and aftermarket. NCH currently does business with approximately 1,500 product suppliers located in 30 countries.

## **4. Policies, Governance and Due Diligence processes**

### **4.1 Human Rights Statement**

In furtherance of NCH's commitment to upholding human rights our Human Rights Policy and Corporate Modern Slavery & Human Trafficking Policy and Combating Trafficking in Persons Compliance Program, and Supplier Code of Conduct reiterates NCH's global position to not use child or forced labour. In support of this commitment, we expect all employees at all levels, as well as our business partners, to act accordingly.

An excerpt from our policies is set out below with a link to access the full text:

#### [Human Rights Policy:](#)

NCH is committed to respecting the dignity of all people and communities and has entrenched human rights in all aspects of our business. We believe all of our Associates and Business partners around the world deserve to be treated with dignity and respect and we all have a responsibility, both individually and corporately, to bring this policy to fruition.... NCH respects and adheres to recognized human rights standards and we expect our business partners, including suppliers, to adapt to similar values.

#### [Corporate Modern Slavery & Human Trafficking Policy and Combating Trafficking in Persons Compliance Program:](#)

NCH is fully committed to complying with all applicable labour and employment laws, rules and regulations and is working diligently to mitigate the risk of human trafficking in our business and supply chains. NCH is opposed to all forms of human trafficking activities to include slavery, servitude, forced or compulsory labour.

#### [NCH Supplier Code of Conduct:](#)

##### Human and Labor Rights

NCH is committed to respecting human rights of individuals across its supply chain and expects all Suppliers to comply with all laws and regulations that protect human rights of their workers. NCH encourages each Supplier to promote the principles of this policy throughout their networks as well as identify human rights risks and issues, take appropriate actions to respond to potential human rights risks, and support and provide access to remedy.

## Child Labor:

NCH does not tolerate child labor in its supply chain. NCH is committed to the elimination of the “worst forms of child labor,” as defined by International Labour Organization (ILO) Convention No. 182 of 1999. NCH requires suppliers, including their labor agents/agencies, to prevent child labor in their operations and in their supply chain and encourages Suppliers to participate in industry efforts aimed at the elimination of such practices wherever they exist in the supply chain.

## Forced Labor & Human Trafficking:

NCH does not tolerate forced labor or human trafficking in its supply chains. NCH requires that all labor in its supply chain be voluntary, and that workers are allowed freedom of movement. All forms of forced labor and human trafficking are prohibited including but not limited to any form of prison, slave, bonded or forced indentured labor.

## 4.2 Global Code of Conduct (the “Code”)

NCH's Corporation [Global Code of Conduct](#) applies at all times, without exception, to all members of the Board of Directors, all of management and all employees at every level throughout the global business, in every country and from every NCH legal entity.

The Code addresses ethical conduct in our work environment, business practices and relationships with external stakeholders. The principles set out in the Code reflect NCH's belief that honesty and integrity foster a positive work environment that strengthens the confidence of all stakeholder. The Code details the standards of behavior expected from everyone to whom it applies in their daily activities and in dealings with others. It also outlines the key responsibilities of NCH leaders who are to provide a model of high standards of ethical conduct and to create a work environment reflecting both the content and the spirit of the Code. Our Code requires us to uphold our core values and our standards of behavior.

Section 11 of the Code addresses “Procurement” and notes that:

NCH believes in doing business with suppliers that are committed to ethical behavior. Suppliers may not bribe anyone or engage in any other corrupt behavior. Suppliers must follow applicable local and international laws and have workplace standards and business practices that are consistent with applicable legal, ethical, reputable standards and practices.

We believe that following applicable local and internal laws includes a restriction on forced labour and child labour in supply chains.

Section 12.5 of the Code discusses “Human Trafficking” and states that:

Any involvement in Human trafficking is prohibited by NCH. NCH is committed to complying with international labour standards and requires all of its business partners, including manufacturers, suppliers and vendors to comply with those standards. We will not use forced or exploited labour or servitude, whether in the form of prison labour, indentured labour, bonded labour or otherwise. Similarly, NCH and any of its suppliers, manufacturers or vendors will not knowingly use or employ individuals below the age of 16, except if allowed by local law and such exception is consistent with the guidelines of the International Labour Organization (ILO). When transacting with manufacturers, suppliers and vendors, NCH reserves the right to verify, investigate and evaluate their compliance with various laws and their ability to meet product standards and in the event of noncompliance, NCH may terminate the contractual relationships. NCH requires that any

and all activity inconsistent with the policy prohibiting trafficking in persons and using forced labour be reported by e-mail, at [compliance@nch.com](mailto:compliance@nch.com), or [nchcorp.ethicspoint.com](http://nchcorp.ethicspoint.com) or calling 833-785-6271 in Canada.

This section addresses any form of human trafficking and allows us to evaluate our suppliers and vendors regarding their compliance with all laws, including those related to forced labour and child labour.

### 4.3 Reporting and Non-Retaliation

Should employees have concerns regarding any possible violation of the Code, they have the ability to report their suspicions. NCH provides multiple channels for them to report any concerns and suspected violations, on a confidential basis or not, such as reporting:

- To colleagues, including managers, human resources representatives, legal department, or the next level of management;
- To NCH's Compliance Office, by mail or phone, open to both employees and suppliers and to supervisors within NCH's procurement supply chain, at the respective plants, sites or offices; or
- Via [compliance@nch.com](mailto:compliance@nch.com), [nchcorp.ethicspoint.com](http://nchcorp.ethicspoint.com), and our toll-free and confidential hotlines/helplines available to all employees and third parties 24 hours a day, seven days a week, anywhere in the world, accessed by phone or online.

## 5. Assessing and managing our risk

We use a risk-based approach to assess and manage our risk of forced labour and child labour. Our approach helps us prioritize our efforts and adjust our actions as necessary. We are in the chemical, industrial maintenance and water treatment business and from our internal assessment thus far, and a review of publicly available information, we consider our risk of child and forced labour to be low in the highly technical and regulated industries in which we operate.

With respect to our business operations, NCH considers the risk of child and forced labour occurring within our operations to be low considering our workforce and our policies and procedures that govern our employment relationships. In addition, from a geographical risk perspective, our employees who provide products and services to Canada, are located in [Canada](#) and the [United States](#) only. Both Canada and the US have low occurrences of child and forced labour, low risk of vulnerability to child and forced labour and fairly robust governmental responses addressing child and forced labour.<sup>2</sup>

## 6. Remediation Measures

Our reporting and Global Code of Conduct and its non-retaliation policy offers a reporting mechanism for our employees and suppliers to report ethical or legal violations, among other concerns.

As of the date of this Report, NCH is not aware of any instances of child or forced labour in our operations or supply chains during the Reporting Period. Accordingly, no steps were required to remediate child or forced labour, or the loss of income associated with remediation efforts.

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<sup>2</sup> Walk Free, Global Slavery Index 2023, found [here](#).

## 7. Training

NCH's employees receive regular tailored training on ethical topics and company policies as part of our Compliance Core 5 course. The Global Code of Conduct/Ethics and the Suppliers Code of Conduct has a section that relates to Human Trafficking and Child Labour. The Core 5 Course is taken annually by all employees and requires a passing score. All new employees are assigned a mandatory onboarding training package that includes the taking and passing of the Core 5 course.

## 8. Assessing Effectiveness

NCH's Global Code of Conduct, Human Rights Policy, Suppliers Code of Conduct and Corporate Modern Slavery & Human Trafficking Policy and Combating Trafficking in Persons Compliance Program reiterate NCH's global position to not use child or forced labour. While we have recently begun the process of evaluating the strength of our policies, it is our mission to ensure the necessary steps are being taken to stamp out child and forced labour within our Supply chain and to ensure all parties are working in concert to achieve the targeted goal.

## 9. Approval and Attestation

This Report was approved pursuant to subparagraph section 11(4)(b)(ii) of the Act by the Board of Directors of NCH Corp.

In accordance with the requirements of the Act, and in particular section 11 thereof, I, the undersigned, attest that I have reviewed the information contained in this report for the entity listed above. Based on my knowledge, and having exercised reasonable diligence, I attest that the information in this report is true, accurate and complete in all material respects for the purposes of the Act, for the reporting year listed above.

I have the authority to bind NCH Corporation and NCH Canada.



Full Name: John Levy  
Title: Co-owner and CEO  
Date: May 31, 2025