



Fighting Against Forced  
Labour and Child Labour  
in Supply Chains Report  
Reporting Period - 2025



## Introduction

This report constitutes the Quadra Group's (Quadra Chemicals Ltd. (QCL) in Canada and Quadra Chemicals Inc. (QCI) in the United States, referred to herein as Quadra), response to the reporting requirements under Canada's "Fighting Against Forced Labour and Child Labour in Supply Chains Act (the Act)." This report covers our last fiscal year (Oct 1, 2024, to Sept 30, 2025), outlining the ongoing and undertaken activities to assess and prevent all forms of slavery in Quadra's supply chain and operations.

## Steps Taken to Prevent and Reduce the Risks of Forced or Child Labour in 2025

During 2025, Quadra took the following steps to prevent and reduce the risk of forced labour and child labour in our business operations and supply chain:

- Maintained a silver rating (top 15% of participants) with Eco Vadis.
- Maintained conversations with key executives with respect to the Act.
- Reviewed and updated Quadra's recruitment policy to include salary ranges in all external job postings.
- Engaged a select group of our Chinese suppliers to review and acknowledge our Supplier Code of Conduct. We had 100% participation from this group.
- Continued to enhance the functionality of the digital (online) product portfolio to transparently highlight the quality of suppliers Quadra engages with.
- Evaluated third-party modern slavery training programs to be implemented into our corporate learning management system.

## About Quadra

The Quadra Group is a privately held North American chemical and ingredient distribution business comprised of Quadra Chemicals Ltd, operating in Canada and Quadra Chemicals Inc., operating in the United States of America. As a leading North American distributor, Quadra procures products from suppliers around the world and warehouses them in strategically positioned facilities that support efficient logistics performance.

The Quadra Group operates a Shanghai Office located in Shanghai, China, that supports all sourcing activities in China, such as, but not limited to, business operations reviews, export history reviews, site visits, and site audits of Chinese suppliers. In 2025, our global supply chain reached thirty-five different countries as we procured products for distribution across North America.

We employ a workforce of approximately 550 employees and manage complex global supply chains to deliver specialty products, blends, or raw materials to our customers safely and reliably.



Commercially, we service three dynamic business divisions: Industrial, Ingredients and Resources, which cater to a subset of markets. As a distributor at the center of the supply chain, Quadra is exposed to various stages of product development from design to customer end-use. We are strongly focused on ensuring delivery of the highest quality products with embedded responsible sourcing standards. All Quadra facilities rely on experienced specialists who support the various industries they serve.

## Corporate Governance

The overall responsibility for supply chain and business governance is held by Quadra's CEO & President, who reports directly to the Board of Directors. The senior leadership team (Senior Vice Presidents (SVPs), Vice Presidents (VPs) and the Chief Financial Officer (CFO) all have varied responsibilities for the development and implementation of corporate policies and programs tied to the procurement of goods, services, and human capital.

Quadra's Commercial VPs hold responsibility for the selection and approval of suppliers and products for distribution. This includes ensuring the supplier selection process is executed and is aligned to market considerations, product quality, cost, and reliability of supply. Additionally, they play a pivotal role in nurturing and sustaining robust relationships with the management of key suppliers. This level of engagement fosters trust and cooperation that enhances Quadra's business operations.

Quadra's VP, Human Resources, is responsible for establishing and enforcing ethical recruitment practices and ensuring fair, lawful, and transparent workplace conditions. This includes oversight of policies, training, and monitoring systems that help prevent forced labour, child labour, and other human-rights risks within our operations.

Quadra's SVP, Corporate, holds responsibility for the selection and approval of third-party logistics providers. This includes the execution of an assessment and selection process, aligned with performance metrics, market considerations and service reliability.

The North American Sustainability Manager, who reports to the SVP, Corporate, is responsible for collaborating with key accountable stakeholders across Quadra's business to advance the sustainability strategy and specifically, coordinate modern slavery reporting, execute the annual supply chain risk assessment, monitor changes in modern slavery reporting requirements, and identify and mitigate any emerging risks in the business.

Quadra remains committed to being a responsible sourcing partner among our suppliers, customers and within our communities. This has been demonstrated through our participation with EcoVadis since 2012. In 2025, Quadra's sustainability and responsible business practices were again recognized through an EcoVadis Silver rating (top 15% of participants), reflecting the strength of our sustainability governance and our continued commitment to environmental, social, and procurement performance.

In 2019, Quadra became a signatory to the United Nations Global Compact (UNGC), which outlines ten recognized business principles that are deemed fundamental responsibilities in the areas of human rights, labour, environmental management, and ethical business practice. At Quadra, these principles are integrated into how we conduct our business and are documented in



our policies and procedures, which strengthen our accountability and integrity. Quadra has been reporting annually on progress against these ten principles in our annual sustainability report.

EN - [https://quadragroup.com/app/uploads/2025/07/quadra-2024-sustainability-report\\_en.pdf](https://quadragroup.com/app/uploads/2025/07/quadra-2024-sustainability-report_en.pdf)

FR - [https://quadragroup.com/app/uploads/2025/07/quadra-2024-sustainability-report\\_fr.pdf](https://quadragroup.com/app/uploads/2025/07/quadra-2024-sustainability-report_fr.pdf)

In 2025, Quadra was awarded the Great Places to Work certification in Canada, an honour we have maintained since our first application in 2017 and is part of the Best 100 Employers in Canada overall. We maintained our Platinum status as one of Canada's Best Managed Companies, a designation held for over 21 years. This prestigious award recognizes the best-in-class of Canadian-owned and managed companies that demonstrate strong business performance and innovative management practices. In our US business, QCI, we maintained our Women Owned Business certification.

## Policies

Across Quadra's operations, we have established policies and frameworks to effectively manage social risks, including those related to modern slavery. Our commitment to maintaining and communicating our standards extends to our employees, suppliers, and customers, who are expected to adhere to our policies.

Quadra's Ethical Reporting Policy establishes the standards that govern employee conduct in business activities and interactions with co-workers, suppliers, customers, and local communities. It further includes information on our anonymous Speak-Up line, allowing any individual to report concerns or potential non-compliance safely and without retaliation. All reports are investigated, and corrective actions are developed accordingly.

Quadra's Supplier Code of Conduct defines the expectations we have of our suppliers. In 2024, Quadra's Supplier Code of Conduct was updated to expand on the expectations of our suppliers in the areas of human rights, labour standards, ethical business practice, and environmental management. In 2025, Quadra engaged a select group of China-based suppliers to review and acknowledge our updated Code of Conduct. All selected suppliers provided full cooperation, 100% confirming their acknowledgement of our Code of Conduct expectations.

Quadra has a variety of policies and standard operating procedures embedded throughout the business to ensure compliance across all our regional jurisdictions and ensure that any use of forced labour or child labour is prohibited in our business. All corporate policies are available in both English and French, and our employees are trained and expected to acknowledge these policies. In 2025, we updated our Recruiting Policy to include salary ranges in all external job postings, strengthening compensation transparency and aligning with regional legislative requirements.



## Practices

In 2024, Quadra launched its digital (online) product portfolio. In 2025, Quadra continued to enhance the product portfolio to strengthen digital engagement and transparently highlight the quality of suppliers Quadra engages with.

The supplier sustainability assessment launched in 2024 and is being utilized by Quadra's product management team to assess the sustainability and human rights risks of their suppliers.

## Supply Chain Assessment and Actions

When assessing and reviewing the risk of modern slavery in our supply chain, there are several factors to be considered: geography, industry, and the type of goods being procured. At Quadra, we understand the importance of evaluating suppliers in the onboarding phase to assess the inherent risk posed and determine if a business relationship is aligned. In situations where a risk is possible, we take additional precautionary measures to minimize the risk.

## Quadra Operations

Quadra's workforce is spread across our various business units in Canada and the United States. Our operational sites are supported by a workforce that facilitates commercial activities and day-to-day corporate operations. These sites remain compliant with applicable labour, employment and occupational health and safety laws. Quadra's workforce was assessed to have a low inherent risk of forced labour and child labour due to factors such as geography, the highly skilled workforce and low labour intensity of the work activities. These risks are further mitigated through Quadra's corporate recruitment policies and operational practices, which are designed specifically for our operations.

## Quadra Supply Chain Assessment

Quadra has identified that the procurement of products distributed across North America represents our greatest area of exposure to potential forced labour and child labour risks. These risks come from procuring products or ingredients sourced or manufactured in high-risk geographies and industry sectors. To ensure a comprehensive evaluation of our corporate risk, Quadra completes an annual supply chain risk assessment, reviewing the products procured, transport/logistics procurement and non-product procurement in our business operations. In our distribution business, product procurement equates to approximately the majority of our annual spend.

In 2025, Quadra procured products and materials from thirty-five different countries. Using Global Slavery Index<sup>1</sup> and the US Department of Goods List (2024)<sup>2</sup>, Quadra was able to assess the risk level of each country and industry sector from which we procure goods. Quadra identified that

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

<sup>2</sup> <https://www.dol.gov/agencies/ilab/reports/child-labor/list-of-goods>



0.76% of its total procurement spend was sourced from countries classified as high-risk for the prevalence of modern slavery practices. However, the products procured from these regions were not associated with high-risk good types. For moderate-risk countries, Quadra identified the goods sourced from three countries were identified by the U.S Department of Goods List to be at risk of forced labour or child labour practices. These goods accounted for approximately 2% of annual spending.

For those geographies and industries that contain a moderate risk, Quadra works closely with suppliers to understand their sourcing and manufacturing process(es). In addition to account management, Quadra has obtained product certifications to further assure our actions. In 2025, Quadra maintained the Roundtable on Sustainable Palm Oil (RSPO) and Rainforest Alliance (RA) supply chain certifications. These certifications audit the various steps of the supply chain where farming and manufacturing practices have the potential to include modern slavery (e.g., palm oil, palm products, cocoa, coffee, tea, etc.). As a distributor, these certification bodies annually audit our distribution practices to validate the sustainable procurement and management of certified products. Quadra successfully managed its RSPO and RA supply chain certificate and distributor licenses through the 2025 audit cycle with no major findings.

Quadra's Chinese sourcing team consists of a small local team of commercial assistants and product managers who report to the Head of Product Sourcing located in Canada. This sourcing team collaborates with colleagues in both Canada and the United States to understand key market trends, identify new product lines, and source high-quality products from leading Asian manufacturers. Our sourcing approach is intentional and evaluates a wide range of technical, commercial, and sustainability parameters. This rigour builds credibility in our supply strategy and reinforces our distribution advantage for specialty and commodity products across North America.

When assessing transportation and logistics services and non-product procurement from a forced labour or child labour perspective, the majority (99%) of services (transport and logistics) and non-product procurement activities for Quadra's Tier 1 suppliers are sourced in North America. While our geographical risk assessment deems the modern slavery risk level low, we recognize the need for ongoing re-evaluation. Quadra will be evaluating opportunities to further engage with these suppliers to understand any associated risks.

Within our North American operations and our product procurement supply chain, Quadra has had zero (0) reported allegations, claims or complaints of forced labour or child labour abuses in the 2025 fiscal year.

## Training and Education

Quadra's employees receive training in our policies and procedures through a detailed onboarding package, which outlines corporate policies and other job-specific expectations. Quadra's document management system details the mandatory update requirements for all policies and procedures. All employee policy reviews require sign-off to acknowledge having

read and understood the expectations.



Adherence to any policy signoff and/or acknowledgement is tracked by the Compliance department through our document management system. Training on Quadra's business model is executed through Quadra University, which is tailored to commercial employees and business service leaders, educating them on Quadra's unique business approach and key collaboration processes. This business model information remains available to all employees in our training catalogue as video capsules.

In 2025, we continued to raise awareness of the Act within our commercial and leadership teams sharing the purpose, goal, and impact to Quadra's business. The sustainability department continued to evaluate third-party modern slavery training courses vs developing our own internal course that could be integrated into our corporate learning management system.

### Remediation Efforts

In 2025, there were zero (0) reported allegations, claims or complaints of modern slavery abuses or forced labour in our supply chain or within our operations. As a result, Quadra is not actively managing any remediation efforts.

### Assessing Effectiveness

Quadra has begun to manage the effectiveness of measures to reduce the risk of modern slavery practices in its operation and supply chain and are aware of our responsibility in identifying and reporting these risks.

- Quadra has a document management system that outlines the review and update cadence for all policies and procedures.
- Quadra has a corporate mechanism in place for the reporting of grievances through the anonymous Speak-up line. All reports are investigated and corrective actions are developed accordingly. In 2025 Quadra recorded zero (0) reports of forced labour or child labour allegations in our operations.
- Through the Supplier Code of Conduct roll-out, Quadra's suppliers have an obligation to report any non-conformances with our Code of Conduct to their respective Quadra commercial contact or through Quadra's anonymous Speak-Up line. All reports are investigated, and corrective actions are developed accordingly. Throughout 2025, we recorded zero (0) non-conformances against the standards defined in our Supplier Code of Conduct.
- In addition to CEO & President approval of this report, Quadra's Executive Committee reviewed and approved the accuracy and content of this report.



*"In accordance with the requirements of the Fighting Against Forced Labour and Child Labour in Supply Chains Act (Act), and in particular section 11 thereof, I, in the capacity of CEO and President, attest that I have reviewed the information contained in the report on behalf of the governing body of the entities of the Quadra Group, 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 within this report."*

**Full name:** Anne-Marie Infilise

**Title:** President and CEO

**Date:** May 31, 2026

*Anne Marie Infilise*

2026-May-20 11:16

**Signature:**

\_\_\_\_\_ I have the authority to bind Quadra Chemicals Ltd. and Quadra Chemicals Inc.