



Fighting Against Forced Labour and Child Labour in Supply Chains Act

**Report prepared by SUSTANA and submitted
to the Canadian Minister of Public Safety**

For Fiscal year 2025

Table of contents

Scope of Application	3
Structures, Activities and Supply Chain	3
Structure and Activities	3
Supply Chain	4
Policies and Due Diligence Processes	5
Measures Taken to Assess and Manage Risk	6
Supplier Chain Assessment	6
Confidential Reporting Mechanism.....	7
Risks Related to Forced Labour and Child Labour	7
Measures to Address Loss of Income	7
Employee Training.....	8
Assessment and Improvement of Policies and Processes	8
Approval and Attestation	9
Appendix: List of legal names of each Sustana entity covered by this report	10

Scope of Application

This report is issued in accordance with Canadian obligations under the Fighting Against Forced Labour and Child Labour in Supply Chains Act (the “Act”) and pertains to the activities of Sustana and its Canadian subsidiaries subject to the Act (listed in the appendix).

It is submitted to the Minister of Public Safety and Emergency Preparedness of Canada and outlines the measures implemented by Sustana during the financial year ending December 31, 2025, to prevent, reduce, or mitigate the risks of forced labour or child labour, whether in its own operations or at any stage of goods production within its supply chains.

Sustana’s Executive Committee delegated members of the Sustainability Technical Committee to prepare, review, and monitor the contents of this report.

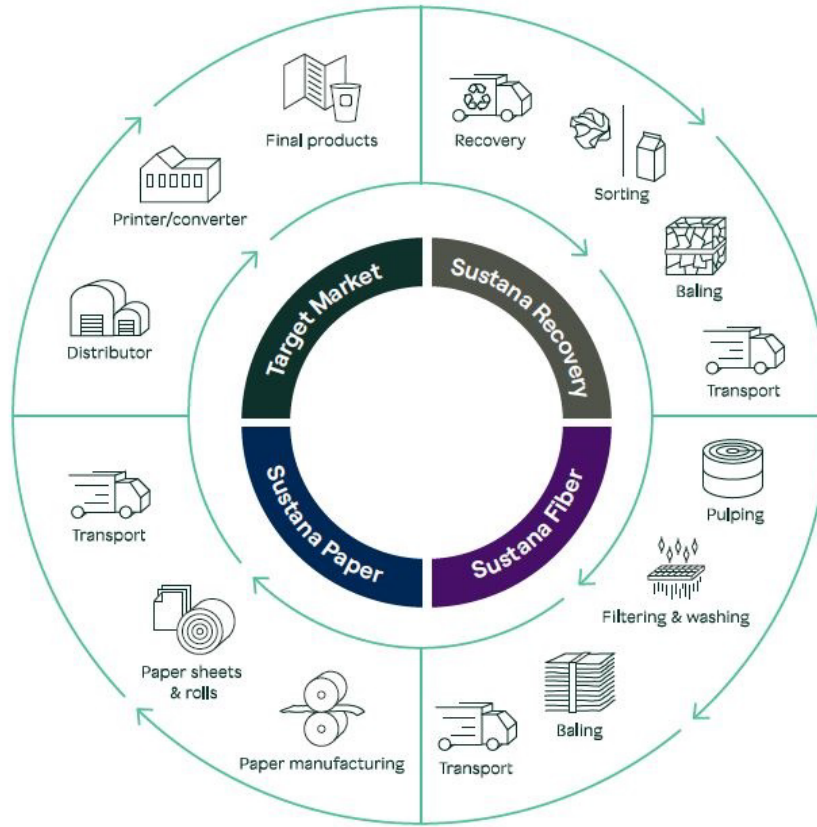
Structures, Activities and Supply Chain

Structure and Activities

Sustana is an industry leader in the production of high-quality fiber-based products and services, built on a solid commitment to sustainability and continuous improvement. The company operates 12 facilities, including three manufacturing mills, one converting center, and eight recovery facilities, located across two Canadian provinces (Quebec and Ontario) and six U.S. states (Wisconsin, Ohio, New York, Maryland, Connecticut, and Massachusetts).

Sustana’s business model is based on the concept of the circular economy, as it prioritizes the recycling of high-grade wastepaper to create new products. Sustana operates across the entire value chain, supporting hundreds of organizations—including institutions, businesses, and industries—in the collection of their used paper. These papers are then processed at two of our manufacturing mills into 100% recycled fibers, which are reintegrated as raw material in the production of new products. Our paper manufacturing mill uses this recycled fiber, along with other market-sourced pulps, to produce high-quality printing and writing paper.

Sustana employs 644 people, with 78% based in Canada and 22% in the United States. More information available at www.sustanasolutions.com.



Supply Chain

Sustana's supply chain is an integral part of its efforts to reduce its environmental impact, particularly regarding greenhouse gas emissions. For the past three years, the company has been implementing a strategy with its suppliers to assess the maturity of their social, environmental, and ethical practices. This initiative is carried out in collaboration with EcoVadis, an internationally recognized rating platform that evaluates companies' sustainability performance.

Sustana's procurement process is overseen by the Corporate Procurement Director, supported by a centralized team. This team consists of category-specific buyers who assist internal teams in all stages of the process: identifying needs, preparing requests for proposals, sourcing and evaluating suppliers, negotiating contracts, and managing orders, all while adhering to Sustana's requirements. The vast majority of goods and services acquisitions go through this centralized process.

For their day-to-day operations, the company's sites also rely on framework agreements which streamline the procurement processes. First-tier suppliers, i.e., those with whom the company has a direct business relationship, are primarily located in North America.

We use the EcoVadis IQ Plus module as an ESG (environment, social, governance) risk mapping tool within our supply chain. This tool, based on externally available data and artificial intelligence, provides an analysis of risk distribution across countries, industries, and spending levels.

Policies and Due Diligence Processes

Sustana acknowledges the principles of the Universal Declaration of Human Rights (UDHR) and the International Labour Organization (ILO) Declaration. As a signatory of the United Nations Global Compact, Sustana is committed to respecting and promoting the ten universal principles in its activities and strategy, covering four key areas: human rights, labour standards, the environment, and anti-corruption.

Human rights are addressed in the following corporate documents:

- Supplier Code of Conduct
- Employee Code of Conduct
- Human Rights Policy
- Sustainable Procurement Policy
- Modern Slavery Statement
- Health and Safety Policy

These documents are updated periodically and are available both on [our website](#) and our intranet.

Upon signing a contract, suppliers are required to sign the **Supplier Code of Conduct**. This document includes a section on labour rights, human rights, child labour, and forced labour.

All Sustana employees must sign the **Employee Code of Conduct**, which includes, among other things, a section on labour rights and freedoms, with specific references to the use of forced labour and child labour.

In its **Human Rights Policy**, Sustana commits to assessing the risks posed by its activities and supply chain to human rights and to responsibly managing risks that could have significant consequences for its employees, affected stakeholders, and communities. The company also commits to maintaining grievance mechanisms and

an incident management system that allows for the confidential reporting of any concerns or potential violations of human rights.

In its **Sustainable Procurement Policy**, Sustana specifies that it is committed to protecting human rights, including freedom of association and collective bargaining, and the prevention of child labour and forced labour.

In its **Modern Slavery Statement**, Sustana states that it will not tolerate any form of forced labour, child exploitation, or child labour. This applies to all Sustana facilities and suppliers worldwide. Sustana is also committed to preventing and reducing the risk of forced labour and child labour in its facilities or supply chain.

Included in our due diligence processes, is our use of EcoVadis IQ Plus and its Modern Slavery Lens feature to identify suppliers with high modern slavery inherent risks based on industry, country and spend.

Measures Taken to Assess and Manage Risk

Supplier Chain Assessment

Sustana's entire supplier database is integrated into the IQ Plus tool. This exercise enables us to map our supply chain and assess risk levels by thematic area and supplier category. A dedicated feature also allows us to isolate risks related to modern slavery and generate targeted reports.

In parallel, we encourage our suppliers to voluntarily participate in the EcoVadis assessment process, which allows us to evaluate their ESG performance based on standardized criteria. As of the end of 2025, approximately fifty suppliers had completed this assessment.

The EcoVadis evaluation includes a 360° analysis that integrates external information from over 100,000 public sources, such as NGOs, media outlets, trade unions, and regulatory databases. This process combines artificial intelligence and human analysis to identify the most relevant positive and negative information over a five-year period. These insights are then incorporated into each supplier's EcoVadis scorecard.

The consolidated dashboard, which aggregates all evaluation results, enables us to target specific indicators, particularly actions related to child labour, forced labour, and human trafficking.

We believe that the combination of these tools—IQ Plus and the full evaluation process—provides a clear and structured view of the risks present within our supply chain.

Confidential Reporting Mechanism

As part of our commitment to respecting and promoting human rights throughout our value chain, we have implemented a confidential whistleblowing mechanism accessible to all employees, partners, and suppliers.

This professional alert system, hosted by a third-party platform, provides a safe, confidential, and retaliation-free channel for reporting, in good faith, any concerns or potential violations either online or by phone. These may include:

- Forced labour or child labour,
- Discrimination, harassment, or violence in the workplace,
- Hazardous, degrading, or non-compliant working conditions,
- Labour exploitation or violations of workers' rights.

Information about this procedure is communicated through our Codes of Conduct and several corporate policies (Environmental Policy, Human Rights Policy, Diversity, Equity and Inclusion Policy, and our Global Anti-Corruption and Whistleblower Protection Policy), as well as on our website and intranet.

To report confidentially:

<https://secure.ethicspoint.com/domain/media/en/gui/91031/index.html>

Risks Related to Forced Labour and Child Labour

The due diligence processes conducted by Sustana to identify risks of forced labour or child labour in its supply chain did not reveal any major concerns.

Measures to Address Loss of Income

The risk assessments and due diligence processes implemented to detect the potential presence of child labour or forced labour in the supply chain did not reveal any significant risks in this regard. As a result, no corrective measures were deemed necessary to address potential income losses related to such situations.

Employee Training

We leverage the online courses offered by the EcoVadis Academy, which include modules specially devoted to child labor and forced labour. These e-learning trainings enable procurement teams to identify such issues and adopt best practices to prevent and address them.

Sustana did not deliver specific training on human rights in 2025.

Assessment and Improvement of Policies and Processes

Sustana's codes of conduct and policies are reviewed periodically. Updated versions are then reposted on our various internal and external platforms. To ensure continued visibility on the Employee Code of Conduct—which is currently signed upon hiring—we plan to introduce a mandatory review every three years.

As part of our sustainable development action plan, we aim for 100% of our key suppliers to adhere to our Supplier Code of Conduct. These key suppliers are identified based on their level of criticality and associated spend. This objective is dynamic, as our supplier base evolves over time. By the end of 2025, 31% of our key suppliers had signed our Code of Conduct, representing 89% of our procurement spend.

As part of our continuous improvement approach, we plan to roll out mandatory training for members of the procurement team on the risks related to human rights violations in the supply chain. Given their direct interaction with business partners, their ability to detect, prevent, and mitigate risks associated with forced labor, child labor, discrimination, or unsafe working conditions is critical.

Beyond these actions, with full awareness that zero risk does not exist, Sustana will continue to update its risk assessment process and aims to incorporate a mechanism for verifying indirect suppliers (i.e., second- and third-tier suppliers). We also continuously monitor our supply chain through our EcoVadis tools.

Approval and Attestation

In my capacity as Chief Executive Officer, and 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 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 ending December 31, 2025. I have the authority to bind Sustana and its legal entities listed in the appendix.

A handwritten signature in blue ink that reads "Nathan Jeppson". The signature is written over a horizontal line.

Nathan Jeppson
Chief Executive Officer

Date: May 29, 2026

Appendix: List of legal names of each Sustana entity covered by this report

- Rolland Enterprises Inc.
- Hanna Paper Fibres Ltd.
- Recyclage de Papier Hanna Ltée