

**Novocol Pharmaceutical Division**

25 Wolseley Court  
Cambridge, ON N1R 6X3  
Canada  
Tel: 519-623-4800 • Fax: 519-623-4290  
[www.septodontna.com](http://www.septodontna.com)

**septodont**

## **Forced Labour and Child Labour Report for Novocol Pharmaceuticals of Canada Inc.**

This report (“**Report**”) is made in compliance with Canada’s *Fighting Against Forced Labour and Child Labour in Supply Chains Act* (the “**Act**”) by Novocol Pharmaceutical of Canada Inc. (“**Novocol**” or “**we**”).

This report has been prepared for the calendar year ending December 31, 2023. Novocol’s board of directors, as the principal governing body, approved the report pursuant to section 11(5) of the *Act* on May 21, 2024.

We are committed to ensuring the highest standards of human rights and safety within our activities and supply chain.

### **Who We Are: Activities and Structure**

Novocol is a member of the Septodont Group (“**Septodont**”). Septodont Holding, a corporation incorporated in France, indirectly owns all of the shares of Novocol. Septodont is comprised of companies dedicated to the development, manufacturing and distributing of dental consumables such as pharmaceuticals and medical devices. Septodont most recently celebrated its 90th year in business. It has over 2,000 employees worldwide. Septodont is committed to the highest standards of ethical conduct and compliance and expects the same from its subsidiaries. Septodont complies with the pharmaceutical regulations of the health authorities of the countries in which its products are approved.

Novocol manufactures sterile injectable cartridges in its facility located in Cambridge, Ontario. We employ over 500 highly skilled employees. In 2013, Novocol started its contract development and manufacturing division (“**CDMO**”). As a CDMO, Novocol specializes in aseptic fill-finish, including clinical and commercial scale sterile fill-finish, product development and analytical services, combination product assembly, and drug delivery device design. We pride ourselves on providing a personalized CDMO experience so our biopharma customers can bring their drug products from development to patient. We equally pride ourselves on upholding high standards of integrity, and strictly adhere to Septodont’s Code of Ethics as it applies to the entire Septodont Group.

### **Our Supply Chains**

We produce sterile injectable drug products for dental and pharma indications from our manufacturing facility in Cambridge, Ontario. Our local presence in Canada means we have direct visibility into our manufacturing processes, which allows us to best uphold our commitment to protecting human rights and the environment.

Our dental anesthetics are made with materials mainly from pharmaceuticals suppliers with whom we have had long lasting relationships. Before selecting a supplier, our audit team



conducts a thorough audit of their facility, their manufacturing processes and compliance with applicable regulatory requirements. With respect to our pharma business, our customers provide the API requirements, and we source components and excipients from qualified and local (where possible) suppliers.

Our CDMO customers supply us with biopharmaceutical materials to be used in the manufacture of their products. Our customers usually take possession of these materials and are responsible for shipping them to us. As a result, our supply chain is relatively simple and limited.

## **Risks of Forced Labour or Child Labour Use in Global Supply Chains**

Novocol works with many partners and suppliers along the supply chain. The Code of Ethics is shared with business partners, including service providers, distributors, agents, and others, and we expect that our partners will comply with the Code, including such provisions relating to the protection of human rights.

As a company with global operations, Novocol is acutely aware of risks associated with forced labour and child labour in global supply chains, and we understand that such risks are more prevalent in certain sectors and geographic areas. Novocol, as part of the Septodont Group, adheres to the highest standards of ethical principles and values the protection of human rights and environment. As such, we are working towards efforts to ensure our supply chains are free from unethical practices, including forced labour and child labour.

The primary risks of forced labour or child labour in our supply chain stem from the nature of activities performed and the location of the raw materials.

**Raw Material Procurement:** We are aware of the risk that certain biological materials used in pharmaceuticals, such as plant extracts or animal-derived substances, may be sourced from regions where labour standards are poorly enforced, and the extraction and processing of raw chemical ingredients can involve hazardous conditions, potentially exploiting vulnerable populations, including minors.

**Manufacturing Equipment and Components:** Equipment used in manufacturing drugs, such as stainless-steel fermenters, filters, or specialized machinery, might be produced in countries with lower labour laws or standards. Child labour or forced labour could be involved in the mining of metals or the manufacturing of parts.

**Packaging Materials:** The production of packaging materials such as glass vials, plastic components, and paper products could involve unethical labour practices, especially if sourced from regions with weak regulatory oversight.

**Supply Chain Logistics:** Global transportation and logistics services, including international freight, can be outsourced to providers in countries where labour exploitation is more common.

We are not aware of any Novocol-specific risks, or risks that are materially different for our company than our peers. We generally view risks in our supply chain to be low.

## **How We Work to Ensure Our Supply Chains Are Free of Forced Labour and Child Labour**

Ethics and transparency are our core values because we design, manufacture and distribute products for medical purposes. We take our corporate social responsibility very seriously and are particularly alert to laws and regulations governing human rights and labour.

### **1. Our Policies, Due Diligence Processes, and Training**

Novocol maintains policies and due diligence processes in connection to ethics, integrity, and human rights. We have a zero-tolerance policy for unethical behaviour and have robust employee training and reporting processes, and take disciplinary action where required. The Code of Ethics forms the basis of these policies and applies to all Septodont Group companies, including Novocol.

The Code of Ethics outlines our position on ethics and integrity. We expect that our employees and partners (including our suppliers) will uphold our standards. The Code of Ethics emphasizes that corporate social responsibility is an integral part of how we do business and that the Group is particularly respectful of the laws and regulations governing human rights, labour and environment. The Code of Ethics is regularly revised and supplemented with new elements linked to the evolution of the laws and regulations including human and labour rights and corporate social responsibility. A new 2024 version of our Code of Ethics is currently under finalization. These expectations are reinforced through agreements with our suppliers and partners, which agreements incorporate either our, or the partner's, code of ethics and ethical clauses.

Novocol also trains all employees on all parts of the Code of Ethics. We ensure our employees are aware of ethical issues so that they can achieve the highest ethical standards with the Group. We are in the process of adding training on forced labour and child labour to our employee training.



## 2. How We Monitor Ourselves and Our Suppliers

Novocol is committed to regular assessment to ensure the rules and principles within the Code of Ethics are adhered to. These assessments assist us in both identifying current risk issues, and risk areas to improve.

We maintain an “open-door” and zero-tolerance policies relating to conduct that is contrary to the Code. Group-wide, we encourage all employees, officers, directors, and third parties to raise any ethical concerns, early. Anonymity is protected where required and concerns brought in good faith will not face retaliation. Employees who violate the Code may face disciplinary action, and partnerships will be reassessed and question if partners fail to act ethically.

The Septodont Group has committed to organize regular assessments to verify adherence to the rules and principles set forth in the Code of Ethics. We expect our periodic assessments of our operations to result in the identification of new and emerging risk areas and/or recommendations that will be subsequently addressed through enhancement of our Code of Ethics and our good practices.

Our success depends on long-term partnerships. To build trusting relationships and transparent collaboration with its partners, the Septodont Group, including Novocol, relies on an evaluation of its suppliers and distributors. Thanks to on-line screening tools (such as DOW JONES) , and to ECOVADIS (to assess suppliers) and ADIT (to assess distributors and other business partners), Septodont is able to select partners who share our values and Septodont Group policies.

### **How We Have Addressed Reported Risks or Use of Forced Labour or Child Labour in our Supply Chains**

The policies described above allow Novocol to monitor and address situations where our Code of Ethics is violated. Should concerns arise, including in respect of any protection of human rights, parties can contact Novocol’s Ethics & Social Responsibility Department at [ethics@septodont.com](mailto:ethics@septodont.com). Investigations of potential violations are treated with the requisite levels of anonymity.

As of December 31, 2023, Novocol has not faced situations of forced labour or child labour and has therefore not had to remedy and rectify any such situations. We maintain our zero-tolerance reporting policy should concerns of forced labour or child labour in our supply chain arise.

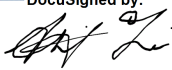
### **Attestation**

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.

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President and COO  
May 21, 2024

I have the authority to bind Novocol Pharmaceuticals of Canada Inc.

