

Fighting Against Forced Labour and Child Labour in Supply Chains

Annual Report for the year ended March 31, 2024

Introduction

This report dated October 30, 2024 is made pursuant to the *Fighting Against Forced Labour and Child Labour in Supply Chains Act* (the “Act”) to particularize the steps and initiatives taken by Natco Pharma (Canada) Inc. (“Natco Canada”) to identify and reduce forced labour and child labour in the supply chain.

Structure, Activities and Supply Chain

Natco Canada is a company incorporated under the laws of Canada and is the Canadian subsidiary of Natco Pharma Limited, a vertically integrated pharmaceutical company engaged in the development, manufacturing and marketing of finished dosage formulations and active pharmaceutical ingredients. Natco Pharma Limited is a trusted supplier of medicines, evidenced by their work with the world’s largest drug companies.

Natco Canada imports, markets and sells pharmaceutical products to wholesalers, hospitals and pharmacies within Canada. Natco Canada sources goods and services from international suppliers including Natco Pharma Limited.

Policies and Due Diligence

Natco Canada is committed to the health and safety of its employees. More specifically, Natco Canada adheres to corporate policies including those that outline responsible practices related to:

- Human Rights & Responsibilities
- Workplace Violence and Harassment

- Equity and Non-Discrimination
- Employment Standards Protected Leave
- WSIB and Workplace Injuries

Such policies govern working conditions, values and appropriate conduct of Natco Canada and its employees.

Supply Chain Risk Assessment

The risk of forced labour or child labour is highest for the manufacturing of goods that take place outside of Canada. Suppliers are assessed for manufacturing and supply integrity, including the risk that employment practices are used that contravene the Act. Suppliers undertake to prevent the use of modern slavery and manufacturing sites are audited in the ordinary course as required for compliance with good manufacturing practices. The predominate supplier of goods to Natco Canada is Natco Pharma Limited.

Suppliers and third-party service providers are evaluated and may be required to complete an undertaking that they do not use child labour or forced labour in their respective business operations or supply chains. Should third party suppliers and/or service providers become aware of the use of child labour or forced labour being used in their respective business operations or supply chains they are advised to contact their Natco representative.

Natco employees or third parties who become aware of, or suspect that, modern slavery is being used in the manufacture of goods or provision of services to Natco Canada may confidentially report such matters to : confidentialHR@natcopharma.ca. Natco Canada will not retaliate against a person making a good faith report.

Measures Taken to Remediate Forced or Child Labour

Natco Canada has not identified any actual instances of forced labour or child labour in its direct supply chain during the reporting year. As such, no remediation measures were taken.

Training

All Natco Canada employees, including those that manage the supply chain, receive annual training on modern slavery and the Act. Furthermore, Natco Canada is developing and deploying a Modern Slavery Policy that will govern corporate practices such as supplier assessment and risk evaluation, reporting, and training.

Assessing Effectiveness

Natco Canada continues to monitor, develop and refine practices in respect of combating modern slavery within the supply chain. Natco Canada conducts an annual review of its business practices, service providers and suppliers for compliance with the Act. Employees responsible for managing procurement, including executive management, are engaged in such review. Findings of non-compliance require immediate escalation and remediation.

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 Natco Pharma (Canada) Inc.. 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. I have the authority to bind Natco Pharma (Canada) Inc.



Full name : **GLENN IKEDA**
Title : **CEO**
Date : **October 30, 2024**