



2024 REPORT

# Canada Supply Chains Act





# Contents

<b>1. About this Report</b>	3
<b>2. Structure, Activities and Supply Chain</b>	4
2.1 Our structure	4
2.2 Our activities	5
2.3 Our global supply chain	5
<b>3. Policies, Processes and Due Diligence</b>	6
3.1 Our Governance	6
3.2 Our Employee Code of Ethics	7
3.3 Our Supplier Code of Ethics	7
3.4 Our Global Modern Slavery Compliance Plan and Team	8
3.5 Our Due Diligence	8
<b>4. Risk Assessment and Identification</b>	9
<b>5. Remediation and Corrective Measures</b>	10
<b>6. Assessment of Measures of Effectiveness</b>	11
6.1 Regular review of policies and procedures	11
6.2 Data collection	11
6.3 Performance indicators and monitoring	11
6.4 Training program	11
<b>7. Approval and Attestation Statement</b>	12



# 1. About this Report

This report has been prepared pursuant to the Canadian *Fighting against Forced Labour and Child Labour in the Supply Chains Act* (the “**Act**”) and sets out the measures taken by Solmax Group Inc. (“**Solmax**”) and the entities mentioned below (the “**Solmax Subsidiaries**”) (together, the “**Solmax Group**”), during the fiscal year ending on December 31, 2024, to prevent and reduce the risk of forced labour or child labour in its operations and supply chain. When used in this report, the terms “forced labor” and “child labor” have the meanings ascribed to them by the Act.

The following Solmax Subsidiaries, which are all wholly owned by Solmax directly or indirectly, are considered “entities” subject to the Act as of the date of this report:

- Solmax International Inc. (Quebec, Canada)
- Solmax Geosynthetics, LLC (Delaware, USA)
- Propex Operating Company LLC (Delaware, USA)
- Nicolon Corporation (Georgia, USA).

This is a joint report for all entities part of the Solmax Group, and the information contained in this report applies to all Solmax Group entities, unless otherwise indicated. The use in this Report of the terms “our”, “we”, “us” and “Solmax Group” typically refer to Solmax and the Solmax Subsidiaries collectively, or to a single subsidiary, depending on the context.



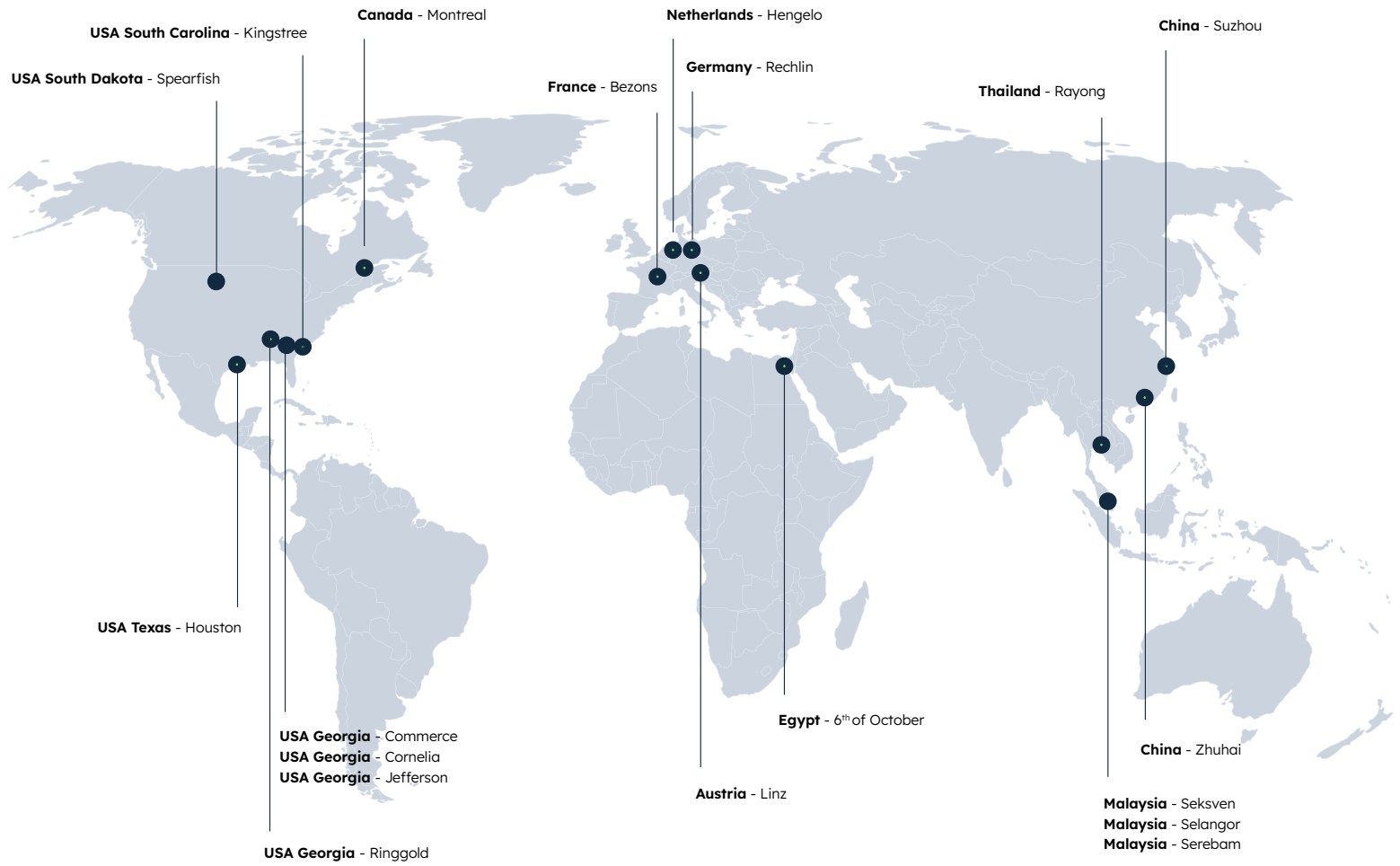
# 2. Structure, Activities and Supply Chain

## 2.1 Our structure

Solmax is a global manufacturer and frontrunner in the realm of sustainable construction solutions, particularly catering to the needs of civil and environmental infrastructure. Established in 1981, Solmax has forged a path of continuous growth (marked notably by recent strategic acquisitions including the companies GSE, Tencate Geosynthetics, and Propex), with presence and activities across the world over five continents. Today, we proudly hold the distinction of being the largest geosynthetics manufacturing enterprise worldwide, bolstered by the expertise and dedication of over 2,000 employees worldwide.

Headquartered in Quebec, Canada, Solmax operates a global footprint with subsidiaries and operational hubs strategically positioned across diverse geographies. This expansive presence enables the Solmax Group to deliver innovative solutions and unparalleled service to our customers in the B2B environment, ensuring that our commitment to sustainability resonates on a global scale.

The Solmax Group is privately held. Solmax is incorporated under and governed by the *Canada Business Corporations Act*.





**LARGEST  
GEOSYNTHETICS  
MANUFACTURING  
ENTERPRISE  
WORLDWIDE**



**5  
CONTINENTS**



**2,000+  
EMPLOYEES**



**Quebec  
HEADQUARTER**





## 2.2 Our activities

The Solmax Group operates as a manufacturer of geosynthetics materials. In this landscape, the environmental containment sector, covering notably waste management, mining and water, is primarily characterized by the prevalence of geomembranes. Conversely, in the civil infrastructure sector, which spans transportation, hydraulic infrastructure, building foundations and coastal erosion management, geotextiles take center stage.

## 2.3 Our global supply chain

In its global supply chain, the Solmax Group sells products, including private label products, which it manufactures or acquires from suppliers. Customers of the Solmax Group include engineering firms, construction companies and governments. The Solmax Group also does business with service providers and other business partners involved in the manufacturing, distribution and installation process. As a result, the Solmax Group maintains business relationships with many international, national and regional suppliers of various services and products.

The Solmax Group’s procurement teams are responsible for streamlining procurement practices, developing governance standards and implementing Solmax Group’s procurement strategy. The procurement teams are responsible for sourcing and procuring goods and services under their specific regions/ country, collaborating on global or cross-regional supplier agreements, as well as developing regional/country procurement strategies.

The provenance of our sourced products reflects the diversity and breadth of our business partnerships. Our sourcing for these products includes many different countries across all continents.



# 3. Policies, Processes and Due Diligence

The Solmax Group is committed to respecting and promoting the highest standards of ethics and integrity in all its dealings with employees, customers, suppliers, shareholders and the communities in which we live and work.

It is our belief that modern slavery, human trafficking and child labour are abhorrent practices, and we are actively implementing processes to reduce the risk of such practices in our activities and supply chains, in accordance with international standards and applicable laws.

The Solmax Group's approach to human rights is supported by its Employee Code of Ethics (the **"Employee Code of Ethics"**) and its Code of Ethics for Business Partners (the **"Supplier Code of Ethics"**) (collectively, the **"Codes"**).

Solmax aims at updating these Codes on a periodic basis to reflect prevailing industry and legal standards and to provide more directions on the requirements to comply with international standards of human rights and applicable laws forbidding child labour, forced labour or human trafficking.

Solmax provides a confidential and anonymous reporting system allowing all employees, suppliers or any person with questions, concerns or complaints regarding business ethics to reach out and report to our independent third-party administrator ([www.ethicspoint.com](http://www.ethicspoint.com)), 24/365, or by phone, on a confidential or anonymous basis.

## 3.1 Our Governance

Solmax's corporate responsibility governance framework, which includes principles designed to fight against child and forced labour, is integrated into its management structure, led by the executive team. It relies on specific individuals throughout the decision-making and implementation processes, all under the oversight of the Board of Directors.







### 3.2 Our Employee Code of Ethics

The health and well-being of our colleagues underpin Solmax’s purpose and ensure its organizational effectiveness. Solmax focuses on occupational health and safety, respectful labour relations, sound talent management, and an equitable, diversified and inclusive work environment.

Solmax provides a rigorous framework for the conduct of its employees and executives worldwide. The Employee Code of Ethics guides and clarifies the behaviours that must be adopted in corporate life.

The Employee Code of Ethics applies to all Solmax Group employees in the performance of their duties, and requires each employee to respect Solmax’s commitment to provide a workplace free from violence, harassment and discrimination, which respects human rights and where each employee is treated with dignity and respect. Any employee who is found to have breached any provision of the Code is subject to disciplinary action, up to and including dismissal.

The Code also stipulates that Solmax fully adheres to the spirit and principles set out in the Universal Declaration of Human Rights (UN) and will ensure it complies with its legal provisions wherever it does business. More specifically, Solmax shall ensure that fundamental human rights are respected, with regard to dignity and respect, the worth of the human person, equal rights of men and women; Solmax is determined to promote social progress and better standards of life in larger freedom. It requires employees to ensure that fundamental human rights, such as dignity, equality, and freedom are respected. It confirms that Solmax condemns all acts that do not comply with these principles and, more importantly, any exploitation of children whatsoever.

### 3.3 Our Supplier Code of Ethics

The Solmax Group is determined to carry out its activities lawfully and ethically by adopting responsible social and environmental practices. Solmax’s supply chain is a critical component of its business life and plays a key role in its success.

Solmax implements a responsible procurement approach as part of a continuous improvement strategy and aims to collaborate with suppliers within a framework of transparency to adopt ethical and respectful business practices. The starting point for this is Solmax’s Supplier Code of Ethics.

The Code is aimed at all Solmax’s suppliers of goods and services around the world and their subcontractors across the supply chain. Partners must ensure that they treat their staff fairly and equitably, without any discrimination on the basis of gender, race, colour, origin, political or other opinions, sexual orientation, religion or any other generally-acknowledged grounds of discrimination; create an environment that is free of all forms of harassment, intimidation or abuse; prohibit all forms of child labour, forced labour or human trafficking; and respect human rights as set out in the Universal Declaration of Human Rights.

Should a supplier fail to comply with the Code, Solmax may require corrective actions as necessary. Solmax favours a continuous improvement approach and will monitor its suppliers’ progress in terms of respect for workers. In the case of a serious failure to comply by a supplier, the Solmax Group may reconsider its business relationship with the supplier.

Solmax is periodically updating relevant supplier contract templates across the world to enhance the compliance provisions and reinforce the language with respect to compliance with international standards and applicable laws forbidding child labour, forced labour or human trafficking as set forth in the Supplier Code of Ethics.



An aerial photograph of a dense evergreen forest covered in a thick layer of snow. A dark, winding road cuts through the center of the forest, and a small dark car is visible on it. The trees are heavily laden with snow, and the overall scene is serene and wintry.

### 3.4 Our Global Modern Slavery Compliance Plan and Team

Solmax’s global modern slavery compliance team oversees its compliance with modern slavery and supply chains legislations and international standards in applicable jurisdictions where it operates across the world.

The Compliance team involves members of the upper management, procurement, finance, human resources, health and safety and sustainability departments. The compliance team had several meetings during 2024 to implement a formal global modern slavery compliance action plan with respect to modern slavery and supply chains legislations and international standards applicable to Solmax and its subsidiaries. Concrete deliverables were made during 2024 and other actions are planned during 2025 and beyond.

### 3.5 Our Due Diligence

As part of this compliance plan, Solmax mandated an external firm, Groupe Conseil C-TPAT, to audit our internal processes and support our team by providing recommendations to improve our policies and procedures.

An assessment of suppliers was also conducted to collect and review data to identify those deemed at greater risk against the use of forced labor or child labor in our operations and supply chains.





## 4. Risk Assessment and Identification

During 2024, Solmax performed a risk assessment based on a 5 step’s methodology to assess the risks of use of forced labour and child labour in its operations and supply chains.

Here are the 5 steps of this assessment:

- ✔ Identify and analyze the flow and trading partners of various operations and supply chains.
- ✔ Carry out an assessment of countries and/or products at risk and conduct research using open sources.
- ✔ Perform a vulnerability assessment.
- ✔ Prepare documentation, action plan, risk assessment and procedures.
- ✔ Strengthening internal capacities.

**During the supply chain analysis, we consolidated the countries of sourcing and tier 1 suppliers of the organization. This comprehensive analysis enabled us to pinpoint key suppliers and to identify those representing a greater risk. These identified suppliers received a self-assessment questionnaire in the first quarter of 2025 and the results will be assessed by the compliance team for further actions as required.**



# 5. Remediation and Corrective Measures

Solmax’s compliance plan includes a remediation process based primarily on the results of the supplier assessment conducted as part of the due diligence process.

Our approach is based on transparency, open dialogue and proactive cooperation. We will provide feedback on the performance of all suppliers assessed, with a view to encouraging them to improve both their practices and the quality of their responses. Non-compliant suppliers will be reassessed in a timely manner. In the event of continued non-compliance with the relevant requirements and the principles of our Supplier Code of Ethics following this reassessment, we will encourage our suppliers to develop effective action plans, depending on the nature and severity of the non-conformities detected. Solmax favours a continuous improvement approach and will monitor its suppliers’ progress in terms of respect for workers. In the event of a serious failure to comply, Solmax will reconsider its business relationship with the supplier.

**Solmax’s remediation process will aim at documenting the financial impact of its measures to eliminate the use of forced and child labour. As part of this plan, Solmax will also evaluate the steps required to address the loss of income for vulnerable families resulting therefrom, as applicable.**

As Solmax has not identified any forced labour or child labour in its business or supply chain to date, it has not had to take any measures to remediate any forced labour or child labour, or any loss of income to vulnerable families.





# 6. Assessment of Measures of Effectiveness

The compliance team worked on a number of measures to prevent and reduce the risks of forced labour and child labour in our business and supply chains as part of the compliance plan and ongoing action were set on a timeline for 2025 and onward, including the following:



## 6.1 Regular review of policies and procedures

Solmax regularly reviews its policies and procedures. The Employee Code of Ethics, the Supplier Code of Ethics and other relevant policies and supplier contract templates are periodically updated as required to reinforce the requirements with respect to compliance with international standards and applicable laws forbidding child labour, forced labour or human trafficking.



## 6.2 Data collection

Our approach is data-driven. This approach builds trust and enables us to objectively assess our performance. We are looking at opportunities to implement relevant data collection systems to gather information from our suppliers. At the same time, we plan on relying on external credible sources for additional information on forced and child labour as may be necessary.



## 6.3 Performance indicators and monitoring

Solmax plans on identifying key performance indicators (KPIs) to assess the effectiveness of its measures and to cover aspects such as: the number of suppliers assessed, the ratio of employees that were trained or the total number of incidents of modern slavery or related exploitation identified and remediated, if incidents were to occur.. Regular monitoring of these indicators will provide a real-time view of our progress, while recurrent presentations to Solmax Group’s management team will ensure strategic oversight.



## 6.4 Training program

Adherence to the Employee Code of Ethics is part of every new employee’s onboarding program. All new and existing employees must read and confirm acceptance in writing of the Employee Code of Ethics as may be updated from time to time. Some employees are also required to undergo recurrent training thereon.

During 2024, Solmax conducted formal and mandatory virtual training sessions on understanding and combatting modern slavery which was attended by the senior management team, key procurement, supply chain, human resources, logistics, sales and operations employees from all regions where Solmax operates, and the Board of Directors.

As part of the compliance plan, Solmax aims at expanding the scope of its training program on human rights, labor rights and modern slavery to include all employees to raise their level of awareness.



# Approval and Attestation Statement

This report has been approved in accordance with the provisions of section 11(4)(b) (ii) of the Act by the Board of Directors of Solmax as the joint report of the Solmax Group for the fiscal year ending December 31, 2024.

In accordance with the requirements of the Act, and in particular section 11 thereof, the undersigned attest that they have reviewed the information contained in the report for the entities part of the Solmax Group. To their knowledge and having exercised due diligence, they attest that the information contained in the Report is true, accurate and complete in all material respects for the purposes of the Act, for the reporting year referred to above.

The above attestation is made by the undersigned in their respective capacity as Chief Executive Officer of Solmax, and Director of the Board of Directors of Solmax, for and on behalf of Solmax and the Board of Directors of Solmax respectively, and both have authority to bind Solmax.



**Robert J. Gilligan**

Chief Executive Officer,  
Solmax Group Inc.

May 9<sup>th</sup>, 2025



**Hubert T. Lacroix**

Chairman of the Board of Directors,  
Solmax Group Inc.

May 9<sup>th</sup>, 2025



**Let's build  
infrastructure  
better**

