

# Fighting Against Forced Labor and Child Labor in Supply Chains Act Report For the Year Ended December 31, 2024

#### A. INTRODUCTION

This report (the "Report") has been prepared by the management of Kymera International LLC ("Kymera") pursuant to Section 11(1) of the Canadian Fighting Against Forced Labor and Child Labor in Supply Chains Act (the "Act") and outlines the actions Kymera and its operating companies listed in Schedule A (collectively, the "Reporting Entities") have taken to prevent and reduce the risk that forced labor or child labor is used at any step in the production of goods into Canada or the import of goods into Canada during the financial year ending December 31, 2024 (the "Reporting Period").

This Report is a joint report made on behalf of the Reporting Entities. The use of the words "Kymera", "the Company", "we", "us" and "our" refers to the Reporting Entities.

Respecting human rights is a shared responsibility of all Kymera companies, regardless of location, and forced labor and child labor are contrary to our core values. Kymera does not tolerate forced labor or child labor in our organization or with any member of our supply chain. This belief aligns with our core values and is reflected in our various policies and practices, including without limitation, our Code of Ethics and Business Conduct (the "Code"), Anti-Slavery & Human Trafficking Policy, Human Rights Policy and our Supplier Code of Conduct, which guides our actions, reflects our commitment to our stakeholders and sets expectations for our behaviors and decisions. Kymera expects all its operating companies' employees, officers, and directors (collectively referred to as "Company Representatives"), as well as our business partners, customers, vendors, and members of our supply chain, to abide by the Code and applicable policies related to respecting human rights, to act with integrity in business dealings and to comply with all applicable laws, rules and regulations.

#### B. STRUCTURE AND ACTIVITIES

Headquartered in Durham, North Carolina, USA, Kymera is a global developer, manufacturer and service provider of advanced specialty materials and high-performance surface coatings with manufacturing facilities in the U.S., Canada, Australia, Europe, the U.K. and Asia. Kymera's diverse materials businesses specialize in delivering products and services to meet customers' needs in aerospace, defense, medical and other highly specialized industries.



# Our products and services include:

- High-velocity oxygen fuel, twin wire arc, plasma and combustion thermal spray coatings
- Weld overlay, brazing, electroplating, component remanufacture, machining and finishing.
- Vanadium, aluminum, niobium and molybdenum master alloys.
- Non-ferrous powders, granules, chips, and pastes, including aluminum, copper, tantalum, tin, tantalum, titanium and their alloys.
- Silicon carbide powders.

#### C. POLICIES, GOVERNANCE AND HUMAN RIGHTS COMMITMENTS

Kymera's journey towards sustainability excellence has been marked by continuous improvement and a steadfast commitment to making a positive impact on the world. Over the last few years, we have made considerable strides in enhancing our sustainability practices and have demonstrated our ongoing dedication to Environmental, Social, and Governance ("ESG") principles, including without limitation, those ESG principles focused on eliminating forced labor and child labor from our supply chain. We have taken a holistic approach to sustainability and have expanded various ESG efforts to recently acquired sites, reflecting our commitment to sustainability throughout our organization. This inclusive approach ensures that all our operations align with our ESG goals, driving positive change on a global scale.

We abide by applicable laws in the countries where we operate. Kymera has undertaken to respect human rights (including not using workers under the applicable age of employment nor any forced labor at any step in the production or supply of goods or services to or by Kymera).

Kymera believes in equality in employment and is committed to providing a respectable and diverse workplace where all Company Representatives are valued and respected, receive recognition based on individual merit and can be promoted and achieve success.

The Company strives to comply with all requirements under applicable employment laws and regulations, including those regarding wages, working hours, overtime, and benefits. Moreover, the Company is dedicated to providing a safe working environment and is committed to working towards protecting Company Representatives from occupational illness and work-related accidents, and to promoting their health and well-being.

Kymera has included human rights considerations into its policies, governance framework and decision making. Kymera believes it is the responsibility of all stakeholders to uphold the Company's commitment to respect human rights. In support of this commitment, the Company expects all Company Representatives, as well as our business partners, customers, vendors, and members of our supply chain to abide by our Code and specifically those policies addressing human rights considerations.



Kymera manages its forced labor and child labor risk through a variety of policies and practices, which include without limitation, the following policies which are central to Kymera's commitment to upholding human rights:

- Code of Ethics and Business Conduct Policy
- Anti-Slavery & Human Trafficking Policy
- Corporate Environmental Health & Safety Policy
- Supplier Code of Conduct
- Human Rights Policy
- Corporate Responsible Sourcing Policy
- Corporate Conflict Minerals Policy

#### D. APPLICABLE POLICIES ADDRESSING HUMAN RIGHTS

# 1. Code of Ethics and Business Conduct Policy

The Code applies to all Companies and Company Representatives as well as all vendors, customers, and third parties. It addresses ethical conduct in our work environment, business practices and relationships with external stakeholders. The principles set out in the Code reflect Kymera's belief that honesty and integrity foster a positive work environment that strengthens the confidence of all stakeholders. The Code details the standards of behavior expected from Company Representatives and in dealings with others and expressly provides that the Company does not condone or tolerate human trafficking, slavery, forced labor, or unlawful child labor. Toward that end, it outlines the key responsibilities of Kymera's leaders who are to provide a model of high standards of ethical conduct and to create a work environment reflecting both the content and the spirit of the Code. The Code is prominently displayed on our website, www.kymerainternational.com.

## 2. Anti-Slavery & Human Trafficking Policy

The Company maintains an Anti-Slavery & Human Trafficking Policy to supplement the Code that applies to all Companies and Company Representatives. The Company is committed to a work environment that is free from human trafficking and slavery, which, includes forced labor and unlawful child labor. The Company abides by all anti-slavery and human trafficking laws, regulations and rules, and does not condone or tolerate human trafficking or slavery. Moreover, the Policy specifically highlights prohibited conduct, identifies signs of possible slavery or human trafficking to assist Company Representatives and provides a mechanism for reporting complaints, incidents or potential violations of the Policy. The Anti-Slavery & Human Trafficking Policy is prominently displayed on our website, www.kymerainternational.com.



# 3. Supplier Code of Conduct

The Company maintains a Supplier Code of Conduct (the "Supplier Code") that supplements the Code and applies to its global supply chain and the Companies' suppliers. The Supplier Code outlines the basic standard of conduct expected from companies supplying goods or services and focuses on three segments: 1) Business Integrity, 2) Labor and Human Rights, and 3) the Environment. Specifically, the Labor and Human Rights section highlights the Company's position that respect for human rights is a central part of our ethics and business standards. Suppliers are therefore required to treat all individuals fairly and with respect, to comply with applicable laws, and to ensure their work environments are business practices are free from human trafficking and slavery, which, includes forced labor and unlawful child labor. The Supplier Code is prominently displayed on our website, www.kymerainternational.com.

# 4. Conflicts Minerals Policy

Global supply chains within the metals industry are sometimes inadvertently in receipt of materials, including tantalum, tin, tungsten, gold, cobalt and mica, which are mined in areas of armed conflict and traded illicitly to finance the conflict ("Conflict Minerals"). Conflict Minerals can be supplied in a raw form or as part of a component product or potentially added by a supplier or by a direct or indirect participant in a supply chain. They are typically mined in areas known to use child labor, subject workers to degrading treatment, violence, excessive working hours, and unsafe working conditions.

The Company routinely evaluates supplier engagement and monitors certain industry-specific risks, such as those found in Conflict Minerals. The Company is dedicated to using only raw materials responsibly sourced as "conflict-free minerals" and expects its suppliers to source conflict-free minerals, particularly as various operating companies within Kymera use tantalum, tin, tungsten, cobalt and mica. Accordingly, the Company maintains a Conflict Minerals Policy which outlines our expectations of our suppliers on this topic, including a requirement for them to conduct adequate due diligence to verify the origin of their materials supplied to the Company, and provide certification under recognized initiatives.

## 5. Employee Reporting and Non-Retaliation Policies; Compliance Hotline

The Company maintains a global Employee Reporting Policy and Non-Retaliation Policy which expressly requires all Company Representatives to report genuine concerns of wrongdoing on the part of the Company, its employees or agents, and provides that it is a violation of Code for any Company Representative to retaliate against or take other adverse action against those who report violations of the Code in good faith. These Policies are to be utilized by Company Representatives when reporting any issues of actual or suspected wrongdoing, including those related to potential violations of human rights.

Kymera provides multiple channels for Company Representatives to report a potential breach, on a confidential basis or not, such as reporting:



- to Kymera's Legal & Compliance Department, by email legalandcompliance@kymerainternational.com
- Human Resources, the General Counsel & Chief Compliance Officer or the Global Compliance Manager; or
- via the Compliance Helpline, Kymera's free confidential helpline available to all Company Representatives 24 hours a day, seven days a week, anywhere in the world, accessed by phone or online.

Similarly, Kymera's Supplier Code requires suppliers to report conduct which is or may breach or violate the Supplier Code, including by way of the Company's confidential Compliance Helpline.

The Compliance Hotline is made available to all employees via posters, Company's intranet and within policies. Additionally, posters are physically displayed at all operating Companies.

#### E. THIRD-PARTY AND SUPPLY CHAIN DUE DILIGENCE

Kymera is committed to ethical business practices, particularly concerning our supply chain management. We rigorously follow a thorough sourcing process and strive to foster open and transparent relationships with all of our suppliers.

Our Procurement Team supports our operations and functional departments and is responsible for identifying suppliers of raw materials and in procuring manufacturing and other equipment, hardware and software. Our Procurement Team is trained and instructed to conduct detailed inquiries with our suppliers, especially in regions identified as having higher risks of forced labor or child labor. Through these inquiries, the Company aims to ascertain and mitigate any such risks in our supply chain, globally.

Furthermore, the Company is committed to ensuring compliance with conflict minerals regulations and has been a member of the Responsible Minerals Initiative ("RMI") since 2023. The Company conducts thorough investigations to trace the source of Conflict Minerals to ensure that they are not sourced from conflict-affected regions where human rights abuses are prevalent.

Through collaboration with industry partners, engagement with relevant stakeholders, and ongoing monitoring of our supply chain, the Company works to identify and mitigate the risk of conflict minerals entering our supply chain.

We use a widely known, industry standardized reporting template called the Conflict Minerals Reporting Template ("CMRT") developed by the RMI, which facilitates the transfer of information through the supply chain regarding mineral country of origin and refiners being utilized by a supplier.

As part of supplier due diligence and our supplier screening process, the Company also requires select suppliers to complete a Supplier Assessment Survey which addresses topics such as safety, responsible and ethical sourcing, and sustainability.



The Company values suppliers that have robust sourcing and sustainability practices and we ask suppliers to provide proof of their new supplier procedure(s) and verify that their company has developed and adheres to a formal code of conduct.

# F. ENVIRONMENTAL, SOCIAL, AND GOVERNANCE

Kymera is committed to incorporating ESG principles into its decision making and business operations. The Company's Board of Directors reviews key metrics related to health and safety and environmental topics during each board meeting and management has integrated these topics into its key operating goals and metrics.

In addition, the Company has aligned its ESG efforts with EcoVadis, a provider of business sustainability ratings for companies, assessing companies' environmental performance, labor practices, ethics, and sustainable procurement. Global supply chains, financial institutions, and public organizations rely on EcoVadis to monitor and improve the sustainability performance of their businesses and trading partners. For three years in a row, Kymera has achieved a **Silver EcoVadis Medal**, and according to EcoVadis, all Kymera sites are globally ranked in the top 15% of sustainable organizations.

This is a significant milestone in the Company's sustainability journey, which reflects a commitment to environmental responsibility, ethical business practices, and sustainable procurement efforts. Achieving a Silver EcoVadis Medal is a significant accomplishment that underscores Kymera's commitment to sustainability and responsible business practices.

# G. RISKS OF FORCED LABOR AND CHILD LABOR IN OUR BUSINESS AND SUPPLY CHAINS

Kymera's organizational structure mitigates the risk that forced, or child labor is not used by our suppliers, or used in its direct operations by ensuring that applicable human resources and compliance policies are developed at the global level and are adhered to by Company Representatives in each of our locations. Similarly, Kymera's operating companies and the majority of its vendors are not located in regions identified as having higher risks of forced labor or child labor.

Based on the foregoing, the area of our business where there exists a risk of forced labor and child labor is in our supply chain. Kymera's global supply chain consists principally of raw-material suppliers and suppliers of non-product goods and services. The raw materials required to manufacture specialty metals are procured from suppliers around the world and vary from product to product. These materials are provided by suppliers with which Kymera has long-term relationships, and a significant number of our suppliers are large multinational corporations with established compliance programs. Furthermore, Kymera seeks long-term relationships with major direct and indirect suppliers for the delivery of materials. Overall, the Company takes a risk-based approach to manage its risk of forced and child labor which prioritizes supplier due diligence, as more fully set forth in Section E of this Report, as the primary mechanism for eliminating forced or child labor in its supply chain.



#### H. REMEDIATION MEASURES

In 2023, Kymera had no known incidents of forced or child labor reported, and therefore no measures were needed to remediate forced labor or child labor in our activities and supply chains. Furthermore, Kymera has not identified any instances of lost income to for the most vulnerable families arising from our efforts to address the risk of use of forced or child labor. As we continue to assess and address such risks and if we identify any lost income for vulnerable families resulting from the actions we take in the future, we will take appropriate remediation measures suitable for the circumstances and in accordance with international and industry standards. Our Compliance Helpline Policy offers a reporting mechanism for our employees and suppliers to report ethical or legal violations, among other concerns. If a situation of non-compliance is identified, the Company **Standard Procedure for the Investigation of Compliance Matters** outlines the required process to investigate and implement corrective actions that may be required.

#### I. TRAINING

The Company conducts compliance training for select Company Representatives and performs as-needed training on a variety of topics and policies, including those related to protecting human rights. All employees were trained fourth quarter of 2024 on human trafficking / compulsory labor via our third-party training provider. In addition, all new Company employees must review and sign the Code acknowledging their understanding of Company requirements pertaining to Protecting Human Rights Policy requirements outlined within.

#### J. ASSESSING EFFECTIVENESS

The Company assesses the effectiveness of preventing and reducing risks of forced labor and child labor in our activities by understanding and applying best industry practices and reviewing third party and supply chain due diligence. Kymera is committed to prevent forced labor and child labor in our business and in our supply chain. We will continue to review and improve our policies, processes and practices as we strive to fight against forced labor and child labor.

# K. APPROVAL AND ATTESTATION

The contents and delivery of this Report were approved by the governing body of Kymera International, LLC on March 4, 2025, on behalf of itself and the other Reporting Entities.

I make this attestation in accordance with the Act's requirements in my capacity as Chief Executive Officer of Kymera International LLC, not in any personal capacity.

In accordance with the requirements of the Act, particularly Section 11 thereof, I, the undersigned, attest that I have reviewed the information contained in the Report for the Reporting Entities. 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 Period listed above.

I have the authority to bind Kymera International LLC.

Docusigned by:

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Full Name: Barton White

Title: Chief Executive Officer

Date: March 4, 2025

Schedule A Kymera International Reporting Companies



AmeriTi Manufacturing LLC
Bahrain Atomisers International W.L.L.
CASL Surface Technologies Corp.
Corrosion and Abrasion Solutions (USA) Ltd.
Ecka Granules Germany GmbH
Ecka Granules of America, LLC
Fiven AS
Innobraze GmbH fur Lot-und Verschleisstechnik
Metallisation Limited
Mepura Metallpulvergesellschaft mbH Ranshofen
Reading Alloys, LLC
SCM Metal Products, LLC
Telex Metals, LLC
Thermal Spray Solutions, LLC