



Novolex Report Pursuant to the Canada Fighting Against Forced Labour and Child Labour in Supply Chains Act (S.C. 2023, c.9)

Publication Date: May 28, 2026

INTRODUCTION

This report (the "Report") has been prepared by Novolex Holdings, LLC ("Novolex") in accordance with the Canada Fighting Against Forced Labour and Child Labour in Supply Chains Act (the "Act"). On April 1, 2025, Novolex acquired Pactiv Evergreen, Inc., a manufacturer and distributor of fresh foodservice and food packaging products, and fresh beverage cartons. This report encompasses Novolex's Canadian entities (including those procured in the transaction) and operations as well as select Novolex U.S. entities that "carry on business" in Canada as set out in the table below (collectively, the "Novolex Reporting Entities"), for the reporting year January 1 to December 31, 2025 (the "Reporting Period")¹.

While Novolex does not report under any other similar laws in other jurisdictions, the companies report under the California Transparency in Supply Chains Act and the UK Modern Slavery Act. The most recent disclosure under those Acts can be found [here](#).

Reporting Entities	Principal Activities
Polarpak Company (formerly Polar Plastic and Par-Pak) ("Polar Pak")	Polar Pak has offices and manufacturing facilities in Montréal, Québec and Toronto, Ontario and serves the foodservice, bakery, deli, produce, and confectionary markets with a variety of rigid plastic packaging. In addition to products manufactured in Canada, Polar Pak also markets products produced by other Novolex manufacturing brands including molded fiber products made with sugarcane pulp (bagasse).
DeLuxe Produits de Papier Inc. ("DeLuxe")	DeLuxe has offices and manufacturing facilities in Montréal, Québec and Toronto, Ontario. DeLuxe supplies a range of foodservice, dairy, confectionary, industrial, and medical paper and non-paper packaging products and converting capabilities. DeLuxe also offers advanced paper-conversion capabilities that include waxing, foil, lamination, pinch bottom bags, and industrial packaging, and specializes in non-paper manufacturing and converting capabilities including multi-layer laminations, composite coating, lamination, and unsupported aluminum foil processing.
Duro Hilex Poly, LLC ("Duro")	Duro is one of the leading manufacturers of paper bags and sacks in North America for the grocery, retail, pharmacy, and foodservice industries. Duro products include paper bags and sacks, specialty bags for direct-food contact, bags with convenient handles, recyclable and compostable bags, and bags made with recycled content.

¹ Novolex Holding, LLC acquired Pactiv Evergreen in April 2025, and this report includes all reporting entities from the acquired company.



Hilex Poly Co. LLC ("Hilex")	Hilex is a manufacturer of polyethylene bags that can be used for retail stores, produce, delivery, takeout, and other customer-focused systems. Hilex manufactures bags from prime-grade materials, with options available for the use of virgin or recycled resin, each optimized for strength, aesthetics and performance.
Novolex Bagcraft, Inc. ("Bagcraft")	Bagcraft is a paper-based, flexible foodservice packaging manufacturer in North America, with manufacturing plants spread across the United States. Bagcraft provides a broad range of paper-based specialty food-packaging products for restaurants, supermarkets, convenience stores, bakeries, and food processors. Products manufactured by Bagcraft include specialty bags, sandwich wraps, and other specialty sheet and roll products which may include paper-backed aluminum.
Novolex Shields, LLC ("Shields")	Shields is a manufacturer of flexible packaging, with substantial capabilities in blown-film extrusion, printing, bag making and other converting processes with operations in Orangeville, Ontario. Shields extrude, prints and convert film for use in a wide range of industries.
Pactiv Canada, Inc. ("Pactiv Canada")	Pactiv Canada, headquartered in Ontario, manufactures, sells and distributes fresh food and beverage packaging to food processors, restaurants, grocery stores and food service distributors throughout Canada and, on a limited basis, in the U.S.

This Report describes the efforts being taken to enhance the transparency in our supply chains by outlining the steps taken during the Reporting Period to prevent and reduce the risk that forced labour or child labour are used at any step of the production of goods in Canada or elsewhere and imported into Canada. This Report has been prepared in accordance with the mandatory reporting criteria outlined in Sections 11(1) and 11(3) of the Act.

Novolex maintains a global multi-layered approach to preventing and reducing the risk of forced and child labour throughout Novolex's business and supply chains. This includes policies and procedures, risk assessments, supplier due diligence, grievance mechanisms, training and capacity building, monitoring, and independent reviews, all of which apply to and benefit Novolex.

OUR STRUCTURE, ACTIVITIES, AND SUPPLY CHAINS

Structure and Activities

Novolex is a privately held company headquartered in Charlotte, North Carolina, U.S. The company is an industry-leading provider of sustainable, high-volume consumer-focused packaging applications across a broad range of substrates and end markets. Novolex manufactures products with paper, plastic, and recycled and renewable materials for food packaging, delivery and carry-out, food processing, restaurants, grocery stores, food service distributors, and industrial markets.

Novolex is the ultimate parent company of the Novolex Reporting Entities, but it does not conduct business in Canada.



Polar Pak is a direct, wholly owned subsidiary of Novolex incorporated under the Nova Scotia Companies Act, and is principally headquartered in Toronto, Ontario.

DeLuxe is an indirect, wholly owned subsidiary of Novolex incorporated under the laws of Québec and is principally headquartered in Toronto, Ontario.

Duro, Hilex, and Bagcraft are direct, wholly-owned subsidiaries of Novolex and are organized under the laws of the U.S.

Pactiv Canada, Inc., is an indirect wholly owned subsidiary of Novolex, and incorporated under the laws of Canada.

Our Supply Chains

Novolex, including its Reporting Entities in Canada, benefit from its broad, trusted supplier relationships consisting of more than 3,000 direct and indirect global suppliers of goods and services. In Canada, Novolex only imports, distributes, or sells a subset of all goods or services that were procured by Novolex from its global supplier base. With respect to the Canadian manufacturing facilities at Polar Pak and DeLuxe, the manufactured goods are made solely with inputs from Novolex's global supply chain. Within Canada, Novolex imports, distributes, or sells only a portion of the goods and services sourced through its global supplier base. In addition, Novolex sources raw materials and a significant portion of finished goods from suppliers located in the United States, including a large volume of material and product sourced intercompany from other Novolex companies in the United States.

The vast majority of Novolex's suppliers in Canada are based in North America and Western Europe and supply Novolex with resin, paper, and other materials, such as glues and inks used to produce finished goods in our own manufacturing facilities. Indirect suppliers provide a range of services including logistics, legal, marketing, maintenance repairs and operations (MRO), and IT.

POLICIES AND DUE DILIGENCE PROCESSES

Novolex takes a global, company-wide approach to human rights compliance, which includes its business operations in Canada. Globally, Novolex does not use child or forced labour in its operations and supply chains and is committed to preventing and reducing the risk of the same.

Novolex has adopted an array of policies, programs, and due diligence initiatives that put our commitment into practice in collaboration with our supply chain partners and other stakeholders. Further, the policies and procedures discussed in this Report, including the [Human Rights Policy](#), [Supplier Code of Conduct](#), [Employee Code of Conduct](#), [Forced Labor Prevention Program](#), and the [Novolex Compliance Hotline](#), apply to all entities in the Novolex organization, including the Reporting Entities. Accordingly, the Novolex Reporting Entities rely on the supply chain processes used by its entities globally that assess suppliers.

Policies

The Human Rights Policy is the cornerstone of Novolex's global commitment to prevent and reduce the risk of child and forced labour. As part of this policy, we expressly prohibit child labour, forced labour, human trafficking or any form of modern slavery in our operations and in our supply chains.

The Supplier Code of Conduct outlines specific requirements for suppliers relating to child and forced labour. Specifically, child labour and forced labour are prohibited from being used in any stage of manufacturing of any Novolex products, including in Canada, and suppliers are expected to implement an appropriate mechanism to verify the age of its workers.



As part of the supplier onboarding process, the Supplier Code of Conduct directs that all supplier employees are to be provided with a written employment agreement in their native language and strictly prohibits the unlawful retention of employee documents, the charging of recruitment fees, or any unreasonable restrictions on employees' freedoms.

In 2025, nearly all suppliers that onboarded through Novolex's global procurement platform positively affirmed their agreement to abide by the Supplier Code of Conduct. The remaining suppliers demonstrated compliance by adhering to their own codes of conduct, which were deemed to be equivalent to the Supplier Code of Conduct.

Pursuant to the Employee Code of Conduct, Novolex expects all subsidiaries, directors, officers, and employees globally to conduct themselves with high ethical standards and adhere to the laws of the jurisdictions where the Company operates. We recognize that we are all responsible for promoting, monitoring, and implementing the Employee Code of Conduct worldwide.

The Employee Code of Conduct serves as a resource to guide our employees in making good decisions and requires anyone who witnesses a potential violation of the Code of Conduct or applicable laws or regulations to report the issue. All employees must complete Code of Conduct training annually and acknowledge the policy, attesting they understand the contents and exercise good judgment consistent with the Employee Code of Conduct. Additionally, the Employee Code of Conduct unequivocally states our expectations regarding human rights and stipulates zero tolerance for human trafficking and child, illegal, abusive, and forced labour anywhere in our operations.

Due Diligence

Novolex has also established a dedicated Office of International Trade Compliance ("ITC") within its Procurement organization to manage all trade-related activities, including those of the Novolex Reporting Entities. This department of twelve employees includes ten licensed customs brokers and oversees compliance related to the Forced Labor Prevention Program and [Trade Sanctions Policy](#), as discussed further below. As part of these processes, suppliers complete a third-party self-assessment questionnaire, which includes human rights-related topics, and assess these against the company's Country Risk Guide.

POTENTIAL RISKS OF FORCED OR CHILD LABOUR

In 2025, Novolex took the following steps to prevent and reduce the risk of child and forced labour in its operations and supply chains worldwide:

- Screened its global, multi-tier supply chains to detect potential connections or links to child labour or forced labour using specialized software that analyzes and maps international trade data. The tool not only detects direct connections to key locations of concern, such as the Xinjiang region of China, but is also able to detect forced labour risk factors among our sub-tier suppliers. As an additional risk control, the tool also provides visibility into suppliers whose goods have been stopped by Customs at the port of entry due to suspicion of forced labour or child labour.
- Conducted daily restricted party screening of customer and vendor master data worldwide using a third-party screening tool that consolidates 29 governmental watch lists. The consolidated lists include the official UFLPA Entity List.
- Using geocoding technology, mapped its Chinese suppliers to confirm that we are not sourcing directly from any entities within the Xinjiang region.



- Received over 2400 certifications from global suppliers certifying that they have examined their supply chain and that forced labor is not present at any level.

Operations

The Novolex Reporting Entities consider the risk of modern slavery occurring within our operations to be low. Not only does our workforce exist only within Canada and the United States, both of which have comprehensive and strict labour, employment, and human rights laws, but parts of our workforce are also represented by strong prominent labour unions.

Geographical Risks – Supply Chains

Novolex's global due diligence efforts take into account nine indicators of modern slavery to determine overall risks in the countries in which Novolex or its direct and indirect suppliers operate. The analysis looks at information from international organizations that are reputable, publicly available, and annually updated, with an emphasis on risk factors or criteria related to "modern slavery."

With respect to the Novolex Reporting Entities:

- Approximately 35% of the countries we procure from are considered low risk across several modern slavery indicators.
- Approximately 25% of the countries we procure from are considered medium risk due to a combination of factors. Child labour indicators include the prevalence of child labour, a lack of prohibition on hazardous work for children, and the compulsory age of schooling not aligning with the minimum age of employment (UNICEF). Forced labour indicators include the risk of human trafficking (U.S. Department of State), the proportion of employees working over 49 hours a week (ILOSTAT), and the prevalence of modern slavery (Walk Free's Global Slavery Index). Additional risk factors include poverty rates (World Bank) and potential infringement on personal autonomy and individual rights (Freedom House).
- The remaining approximately 40% of countries we procure from are considered high risk due to a combination of the factors noted above, as well as the lack of effectiveness of the rule of law (World Justice Project).

Sectoral Risks – Supply Chains

Novolex also recognizes that there are general industry-level risks of forced or child labour with respect to the Novolex Reporting Entities supply chains:

- There are potential upstream modern slavery risks within the plastic and petroleum products industry. The industry can often consist of temporary workers who may be at risk of forced labour, excessive working hours, withheld wages, and restricted freedom of movement. Additionally, there are risks of child labour and unsafe or unhealthy working conditions.
- The pulp and paper products industry also has potential upstream modern slavery risks. Forestry and logging are linked to violations of indigenous peoples' rights. In the U.S., forestry is one of several industries that uses incarcerated labour, where there have been documented incidents of unfair treatment and unsafe working conditions for inmates. Additionally, bamboo has been linked to forced and child labour in Burma and Vietnam.
- Sugarcane production (bagasse) also has risks of being produced with forced and child labour in several countries including Mexico, China, Thailand, and Vietnam, among others. The U.S. Department of Labor 2024 report identifies sugarcane as one of the goods with the most child and



forced labour listings. The sugar industry is also linked to human trafficking risks, often due to third-party recruitment agencies utilizing deceptive recruitment practices and debt bondage. Workers can face poor working and living conditions, excessive working hours, and restrictions on their freedom of movement.

- The manufacturing industry includes a range of skilled and low-skilled positions; low-skilled labour has an increased risk of human trafficking as many workers lack other employment options. They also lack leverage to negotiate for higher wages and are vulnerable to significant job insecurity. There are also high risks of child labour in the manufacturing industry.
- The mining and metal production industry has high risks of forced and child labour, although this is mainly linked to artisanal and small-scale mining (ASM). Large-scale, commercial mines carry fewer risks, although a reliance on migrant or temporary workers and the presence of contractors and recruiters can introduce additional complexity into the supply chain and increases the risks of modern slavery and human trafficking.
- The transportation industry, especially ocean freight, can have high risks of modern slavery as workers can be deprived of their rights to annual or shore leave and repatriation, and may be forced to continue working beyond the terms in their employment contracts. Similarly, warehousing services are increasingly outsourced to third-party logistics companies, and often rely on temporary or subcontracted labour, with higher risks of exploitation or hazardous work conditions.
- Notwithstanding these risks, the Novolex Reporting Entities are not aware of any specific instances of child or forced labour in its supply chains. Further, on a global basis, Novolex mitigates these geographic and sector risks through the following actions.

ASSESSING AND MANAGING RISK

The Novolex Forced Labour Prevention Program formalizes and establishes an integrated framework for all company controls designed to meet international obligations related to the prevention of forced labour, child labour, and other human rights abuses within the supply chain. The program consolidates the full suite of due-diligence measures outlined in this Report, including: screening for potential forced labour connection, screening against government watch lists, supplier onboarding diligence, mandatory training modules, supplier outreach initiatives, and supplier-location mapping. Together, these components form a comprehensive and systematic approach to identifying, assessing, and mitigating risks of forced or child labour across all tiers of the supply chain.

Novolex's Trade Sanctions Policy formalizes the company's global commitment not to conduct business with embargoed countries, restricted parties, or entities of any kind that are subject to sanction controls, without first obtaining a license from the appropriate governmental authority. The default position and policy are not to proceed with such arrangements.

As outlined in these documents, Novolex manages risks, including the Novolex Reporting Entities, through several steps:

- Suppliers are expected to acknowledge and adhere to the provisions of the Supplier Code of Conduct.
- General Terms and Conditions of Purchase include vendor representations, warranties, and certifications that no part of their supply chains, directly or indirectly, are involved in human trafficking, modern slavery, or child labour.



- The ITC staff uses a specialized software tool designed to perform supply chain mapping that detects forced labour, including in upstream sub-tiers.
- Expect suppliers domiciled in high inherent risk countries such as China to complete a Self-Assessment Questionnaire that includes human rights. Where concerns are detected, before proceeding with suppliers onboarding those concerns must be addressed to Legal and the ITC group's satisfaction.
- The ITC staff regularly conducts restricted party screening of the customer and vendor master data worldwide including against the UFLPA Entity List.
- The ITC staff also oversees all company trade transactions and compliance, including forced labour. This includes written processes and procedures, compliant operations, recordkeeping, monitoring, training, due diligence, risk assessment, communications with internal and external stakeholders, and governance.

Finally, the Country Risk Guide assigns a risk designation for each country in line with the Export Administration Regulations (maintained by the U.S. Department of Commerce's Bureau of Industry and Security), relevant U.S. government Executive Orders, Transparency International's Corruption Perceptions Index, and Intertek's Inherent Country Risk Rating. The Country Risk Guide is available to all Novolex personnel in Canada as a resource to help identify risks as business arrangements are being contemplated. It is also integrated into the supplier onboarding process.

Based on the actions described in this Report, Novolex considers the risk of modern slavery in the Novolex Reporting Entities' supply chains to be low.

REMEDIATION

The Novolex Compliance Hotline provides its employees and suppliers with access to an independent resource that can be used to report potential violations or raise concerns related to the Supplier Code, in addition to claims about the use of forced or child labor without fear of retaliation. The 24/7 hotline is also available online at ethics.novolex.com or by telephone using one of the toll-free numbers listed in the Employee Code of Conduct.

Depending on the nature of the concern, either the Company or an external third party will investigate allegations of child or forced labour and if an incident is identified, Novolex is prepared to offer victims assistance or remediation for rehabilitation and social integration. The [Novolex Child Labor Remediation Procedure](#) explains measures to prevent child labour and steps that would be followed if child labour is discovered. No instances of forced or child labour were identified during the Reporting Period. Accordingly, no remediation steps were taken, including those to remediate the loss of income to the most vulnerable families resulting from measures taken to eliminate the use of forced labour or child labour.

TRAINING

Novolex expects that every officer and employee of Novolex, including those of the Novolex Reporting Entities that are involved in international business transactions, to understand the basic elements of the laws and regulations related to trade compliance and to certify that they will comply with them at all times. During onboarding, new employees are required to review, sign, and agree to comply with the Employee Code of Conduct which outlines the zero-tolerance approach to child, illegal, abusive, and forced labour anywhere in our operations. All employees are required to re-sign and acknowledge the Employee Code of Conduct each year.



Globally, Novolex employees receive annual training on compliance topics and key corporate policies. Training modules are assigned and tracked via internal learning and development systems. The training modules may include, but are not limited to, the Human Rights Policy, Employee Code of Conduct, Anti-Bribery and Anti-Corruption Policy, and Trade Compliance Essentials.

In 2025, the ITC team delivered the Trade Compliance Essentials training to 1,238 relevant global employees, of which 1117 were located in Canada or the U.S. Awareness and procedures surrounding forced labour and child labour prevention received special attention in this annual training. Also, as part of this, employees reviewed and agreed to comply with the Trade Sanctions Policy, which was then documented. Such training is expected to continue indefinitely on an annual basis. ITC staff and other employees have also attended and are expected to continue to participate in formal presentations and training on child and forced labour at attorney-led forums, webinars, and live conferences by professional bodies, such as the International Compliance Professionals Association (ICPA).

Additionally in 2025, Novolex also provided specialized training on the Canada Fighting Against Forced Labour and Child Labour in Supply Chains Act to 83 employees selected based on their roles and responsibilities.

ASSESSING EFFECTIVENESS

Novolex's Board of Managers is the highest governing body with oversight of the company's global progress and impact on environmental, social, and governance ("ESG") issues. Board members have extensive experience in the global packaging industry, finance, global supply chain, and ESG-related disciplines relevant to Novolex global operations and that are applicable to stakeholders. Novolex evaluates the management of the organization's impact on the economy, environment, and people, makes recommendations, and receives follow-up on implementation.

The ITC Governance Committee oversees the work of the ITC and is responsible for assessing risks and addressing resource needs to support the ITC's responsibilities. Committee members monitor and assess trade compliance across Novolex globally, including adherence to the Forced Labor Prevention Program and the Trade Sanctions Policy. The ITC Governance Committee meets quarterly and members from legal, procurement, finance, accounting, and ITC leadership. As needed, other business leaders and outside trade counsel may participate.

APPROVAL AND ATTESTATION

This Report was approved by the Board of Managers of Novolex Holdings, LLC on May 28, 2026, pursuant to Section 11(4)(b)(ii) of the Act.

A handwritten signature in black ink, appearing to read "Stanley Bikulege".

Stanley Bikulege, I have authority to bind Novolex Holdings, LLC
Sole Manager of the Board of Managers

Date: May 28, 2026