

# 2024 Report on the *Fighting of Forced Labour and Child Labour in Supply Chains Act*

| February 25, 2025

## 5N Plus Inc.

This report (the "Report") is made on behalf of 5N Plus Inc. ("5N+", the "Company", "we", "us" or "our") pursuant to Section 11(1) of the *Fighting Against Forced Labour and Child Labour in Supply Chains Act* (the "Act") covering our most recently completed fiscal year which ended December 31, 2024. This report outlines the measures implemented to prevent and mitigate the risk of forced labour or child labour being used at any step of the production of goods in Canada or elsewhere or of goods imported into Canada by the Company.

## Corporate History and Structure

5N Plus Inc. results from the amalgamation on October 1, 2007 of 5NPlus Inc. and 6367909 Canada Inc., two affiliated corporations, under the *Canada Business Corporations Act* (the "CBCA"). The Company's head and registered office is located at 4385 Garand Street, Montréal, Quebec, H4R 2B4.

Our common shares have been listed and posted for trading on the Toronto Stock Exchange under the trading symbol "VNP" since December 20, 2007.

5N+'s principal subsidiaries as of December 31, 2024, as well as their jurisdiction of creation and the percentage of voting shares held directly or indirectly by 5N Plus are shown on the following table:

5N PV GmbH (Germany)	100%
5N Plus Asia Limited (Hong Kong)	100%
5N Plus Lübeck GmbH (Germany)	100%
5N Plus Wisconsin Inc. (Connecticut, U.S.A.)	100%
AZUR SPACE Solar GmbH (Germany)	100%

As permitted under securities laws, the other subsidiaries of 5N Plus Inc. have not been included in the chart as each accounted for less than 10% of the company's total consolidated assets and less than 10% of its total consolidated sales and operating revenues as of December 31, 2024.

## Business Segments

Our products and services are divided into two reportable segments: Specialty Semiconductors and Performance Materials. At 5N+, we are not just a producer, we are also an up-cycler of byproducts from other industries. This supply/sourcing strategy reduces the waste produced by mines by promoting reuse, broadens our source market, which strengthens our supply chain, and reduces costs. By using byproducts in our processes where we can, we also reduce our reliance on virgin materials, which, in turn, reduces energy requirements and costs associated with primary extraction.

### **Specialty Semiconductors**

Our Specialty Semiconductors segment manufactures and sells products used in several applications, such as renewable energy, space satellites and imaging. Typical end markets include terrestrial and spatial solar energy (thin-film photovoltaic and concentrated photovoltaic), medical imaging, infrared imaging, optoelectronics and advanced electronics. These products are sold either as semiconductor compounds, semiconductor wafers, ultra-high purity metals, epitaxial semiconductor substrates, solar cells and assemblies.

The Specialty Semiconductors segment operates in North America and Europe. This segment has 589 employees. Our main products are associated with the following metals: cadmium, zinc, tellurium, germanium, indium and antimony.

**Performance Materials**

Our Performance Materials segment is largely associated with bismuth, one of the few heavy metals that has no detrimental effects on human health or the environment and makes an excellent lead replacement as it shares similar metallurgical properties. We supply over 50% of the world's bismuth and bismuth chemicals for applications in the health, pharmaceutical and electronics industry and are proud to provide this product to our customers as an alternative to other metals which may be more harmful to human health and/or the environment. Our Performance Materials products are also used in many other applications, including pharmaceutical, healthcare, as well as various industrial materials. 5N+ is a major producer of specialized chemicals and supplies materials in elemental or alloyed form.

The Performance Materials segment operates in North America, Europe and Asia. This segment has 166 employees.

**Supply Chain**

Key raw materials include specialty metal concentrates which are procured from many non-ferrous metal suppliers with whom we have had long-term commercial relationships. Cadmium and indium are generally by-products of zinc refining and are generally purchased from zinc producers in various forms. Germanium, a by-product of zinc or coal, is typically procured in elemental form. Tellurium is a by-product of copper, zinc or gold refining. It is procured from several sources worldwide. Our upstream capabilities enable us to valorize metal from complex concentrates in addition to outright purchase of metal from metal markets.

**Governance, Policies and Due Diligence Processes****Oversight**

We are committed to respecting human rights in all aspects of our operations and business activities and to embedding responsible business conduct into our policies and our management systems.

Our Board is responsible for the overall stewardship of our organization and overseeing the management of our business and affairs. The Board established two committees to assist it in fulfilling its oversight responsibilities in particular with regard to corporate social responsibility and compliance with legal and regulatory requirements: the Audit and Risk Management Committee and the Governance and Compensation Committee, both composed of independent directors. Environmental, social and governance (ESG) oversight and responsibility is officially integrated into the Board's Governance and Compensation Committee charter and we are continuously evaluating the Board's composition to ensure it is aligned with the objectives of the Company.

**Approach to Sustainability**

The 5N+ mission is to be critical to its customers, valued by its employees and trusted by its shareholders in a quest to enable innovation and technology deployment. To accomplish our mission, we remain sustainable, innovative and resilient, which helps us build long-term value for our stakeholders. Inherent in our mission is our approach to sustainability. Operating ethically, while reducing our impact on the environment and supporting our supply chains and communities.

As experts in refining and processing metals, we work closely with some of the world's largest primary suppliers to form lasting partnerships. We offer our customers and partners unique technology enablers allowing them to unlock new opportunities and provide pathways to fight climate change and reduce our environmental impacts. In these mutually beneficial relationships, we create bilateral opportunities for improvements and generate sustainable value for 5N+, society and our environment. Our sustainability programs reduce our ecological footprint and secure our business through the creation of multi-streamed and independent supply chains and sustainable procurement practices.

**Human Rights Statement**

In 2023, we adopted the 5N+ Human Rights Statement which is guided by the Universal Declaration of Human Rights; the International Labour Organization's (ILO) Declaration on Fundamental Principles and Rights at Work; and the UN Guiding Principles on Business and Human Rights. We strive to adhere to the principles set forth in these standards, and comply with all applicable laws, wherever we operate. The Human Rights Statement specifically states that we have zero tolerance for any form of child labour, forced labour, sexual exploitation or abuse, modern slavery or human trafficking whether in our operations, those of our suppliers or in the communities in which we operate.

This Human Rights Statement applies to 5N+ together with its subsidiaries, and to all its employees, including directors and officers. The Company's business partners and suppliers are also expected to uphold the principles described in the Human Rights Statement in their own operations and business activities.

**Code of Business Conduct**

In 2009, we formally implemented our Code of Business Conduct. The Code of Business Conduct does not replace obligations under the law, and cannot answer every question; rather, it is intended to set out the general principles of acceptable conduct in our relations with other employees, clients, suppliers, investors, and the communities in which we carry on our activities. The Code of Business Conduct applies to everyone at 5N+ and its subsidiaries. This includes all employees, officers, directors, agents, consultants, suppliers and partners of the Company. The Code of Business Conduct is available on our website: [Code of Business Conduct](#).

In 2009, we also adopted our Whistleblower Policy which responds to serious concerns that may have repercussions on 5N+, including erroneous financial reports, illegal activities or policy violations. Employees, officers, directors, agents, consultants, suppliers and partners will be protected against reprisals or victimization following whistleblowing that is carried out in good faith. The Whistleblower Policy is available on our website: [Whistleblower Policy](#).

**Supplier Code of Conduct**

In 2024, we began the rollout of the newly adopted Supplier Code of Conduct aimed at effectively managing the risks of forced labour and child labour in our supply chain. The Supplier Code of Conduct outlines the principles and standards that we hold not only ourselves to but that we also expect our suppliers and their representatives to comply with when doing business with us. This includes as it regards safeguarding confidential information and intellectual property; human rights and workplace standards; modern slavery and child labour; compliance with applicable laws and acting with integrity, among other key topics. The Supplier Code of Conduct is available on our website: [Supplier Code of Conduct](#).

**Assessing and Managing Our Risks**

In the normal course of business, management identifies risk factors which may limit our ability to execute our strategy and achieve our long-term growth objectives and implements strategies in order to minimize their impact on the Company's performance. Corporate internal audit and site leadership have the mandate to review all business risks twice a year. The risks and risk reduction measures are presented to the Audit and Risk Management Committee and the Board of Directors on an ongoing basis.

We are in the process of identifying risks of forced labour and child labour in our supply chain, but at the time of this Report, there are still gaps in our assessments. The risks are primarily related to the industry we operate in, the types of products we produce, sell, distribute or import, the locations of our activities and operations, raw materials or commodities used in our supply chains, and our tier one suppliers. We do not supervise or control our suppliers and despite our effort to take increased actions to ensure our entire supply chain is free of any forced labour or child labour, there may nonetheless remain a risk of forced labour or child labour on products we source from third parties where we may not have complete visibility into their supply chain. The probability of encountering forced labour or child labour increases within our supply chain when engaging with indirect suppliers, necessitating heightened vigilance and proactive measures to prevent such circumstances from arising.

Although we have not identified any forced labour or child labour in our activities and supply chains, we remain dedicated to continuous monitoring and caution, and we are committed to developing an appropriate risk management framework at a later stage.

### Remediation Measures

The Company is committed to applying the highest possible standards of professional ethics, morality and conduct. Employees who become aware of a possible violation of the Code of Business Conduct, or of a violation to the law by the Company or any of its employees, have an important duty to report it. The Whistleblower Policy allows employees to express their concerns with the assurance that they will be protected against reprisals or victimization for reporting in good faith. If an employee is aware of or suspects another party is acting unethically or illegally, he or she shall make a report using any of the reporting channels. The identity of anyone reporting a suspected violation, or participating in an investigation, will remain confidential. Concerns can also be submitted anonymously at any time, through our [Whistleblower Form](#).

While no reports or complaints regarding forced labour or child labour have been received at this time, should such circumstances arise, we are dedicated to upholding our commitments to combat these issues while actively working to mitigate any resulting adverse impacts, including financial, on the Company and its operations.

### Training

In 2024, 5N+ provided training on Modern Slavery to all top-level managers encompassing forced labour and child labour, and its implications within our operations and supply chains.

Also, every employee of 5N+ shall sign a certification that they have read and clearly understood the Code of Business Conduct. All employees shall review the Code of Business Conduct at least once per year and confirm that they have done so by signing the Certification of Annual Review of the Code of Business Conduct. Members of the 5N+ Board of Directors shall certify each year that they have read understood and applied the content of the Code of Business Conduct. Additionally, we intend to offer targeted training sessions addressing forced labour and child labour to relevant individuals in due course.

Any failure by an employee to respect the Code of Business Conduct, may result in disciplinary action and sanctions up to and including dismissal, and certain failures to respect the Code of Business Conduct may result in legal action. The Company expects the third parties which whom it interacts to adopt implement practices that are consistent with the Code of Business Conduct and may terminate any business relationship with a third party acting in a way that is inconsistent with its values and practices.

### Assessing Effectiveness

As we strive to be more accountable to our customers and communities, we must disclose how we are performing, where we are improving and where we need to improve. Disclosure of our progress is important to build trust with our stakeholders and show that we are dedicated to respecting our engagements. Recognizing the inherent complexity in assessing the effectiveness of our actions to ensure our entire supply chain is free of any forced labour or child labour, we acknowledge the importance of such evaluations in mitigating risks.

While we have yet to establish formal policies and procedures for evaluating the effectiveness of the varied measures implemented to mitigate the risk of forced labour and child labour within our operations and supply chains, we are committed to taking the necessary steps to assess their effectiveness.

### Approval and Attestation

This Report was approved on February 25, 2025, by the Board of Directors of 5N Plus Inc, pursuant to subparagraph 11(4)(a) of the Act.

In accordance with the requirements of the Act, specifically under section 11 thereof, I, the undersigned, attest that I have reviewed the information contained in this Report for the entity listed above. Based on my knowledge, and having exercised reasonable diligence, I attest that the information in this Report is true, accurate and complete in all material respects for the purposes of the Act, for the specified reporting year.

I have the authority to bind 5N Plus Inc.

Per:  \_\_\_\_\_

Full Name: Gervais Jacques  
Title: President and Chief Executive Officer  
Date: February 25, 2025