



Bell Flavors & Fragrances

**FIGHTING AGAINST FORCED LABOUR
AND CHILD LABOUR IN SUPPLY CHAINS**

Annual Report 2024

May 30, 2025



Table of Contents

1.	Introduction and Background	3
2.	Overview of the Steps to Prevent and Reduce Risks of Forced and Child Labour in 2024	3
3.	Organization Structure and Supply Chain.....	4
a.	Understanding Our Company Structure and Operations.....	4
b.	Mapping Our Supply Chain.....	5
4.	Policies and Due Diligence Processes	6
5.	Identified Risks of Forced Labour and Child Labour.....	6
6.	Risk Assessment and Management	7
7.	Corrective and Remedial Measures.....	7
8.	Impact on Vulnerable Families.....	8
9.	Employee Training	8
10.	Evaluation of Policy Effectiveness	8
11.	Conclusion and Future Outlook	8
12.	Attestation	9



1. Introduction and Background

Bell Flavors & Fragrances (Canada) Co. ("**Bell**") presents its second annual report in accordance with the Fighting Against Forced Labour and Child Labour in Supply Chains Act (the "**Act**")¹, enacted in 2023. This report evaluates Bell's governance processes, existing measures, and efforts undertaken during the 2024 financial year, which concluded on December 31, 2024, to prevent and mitigate the risk of "forced labour" or "child labour"² in any stage of production of goods within Canada or abroad, as well as goods imported into Canada (the "**2024 Report**").

The 2024 Report is an original document and not a revision of any previously submitted report for the year 2024. Bell is not subject to additional reporting requirements under supply chain legislation in other jurisdictions.

For the purposes of this report, the terms "Bell," "we," "us," "our," and "the Company" refer to Bell Flavors & Fragrances (Canada) Co.

2. Overview of the Steps to Prevent and Reduce Risks of Forced and Child Labour in 2024

Bell is continuing to make efforts to uphold human rights and ethical labour practices across its operations and supply chain. These efforts are demonstrated through collaboration with suppliers, workforce, and other external stakeholders.

To prevent and mitigate the risk of forced labour or child labour at every stage of our production chain in Canada or abroad, as well as in goods imported into Canada, we have implemented the following measures during the financial year that ended December 31, 2024:

- Gathering information on worker recruitment in Canada and maintaining internal controls to ensure that all workers are recruited voluntarily;
- Developing and implementing anti-forced labour and anti-child labour statements in the code of ethics and business conduct of our employees;
- Developing and implementing due diligence policies and processes, notably a Human Rights Policy as further described in Section 4 of this report, for identifying, addressing and prohibiting the use of forced labour and/or child labour in the organization's activities and supply chains;

¹ (S.C. 2023, c. 9).

² When used in this report, the terms "forced labour" and "child labour" have the meanings assigned by section 2 of the Act.

- Requiring suppliers to have in place policies and procedures for identifying and prohibiting the use of child labour and/or forced labour in their activities and supply chains;
- Developing and implementing anti-forced labour and anti-child labour clauses in all of our terms and conditions applicable to every purchase order; and
- Developing and implementing training and awareness materials on forced labour and/or child labour.

The following sections will provide detailed information on the Company, its supply chain, and the measures established and implemented by Bell in 2024 to prevent and mitigate the risk of forced or child labour within its operations and supply chain.

3. Organization Structure and Supply Chain

a. Understanding Our Company Structure and Operations

Bell is a family-owned company incorporated under the *Companies Act* of Nova Scotia³, for which quality, reliability, and sustainability are of the highest priority. Our head office is located in the Province of Nova Scotia, Canada, and we have an operating plant in Brossard in the Province of Québec, Canada.

At Bell, we pursue activities in the chemical industry through the following five main departments:

- Flavors – Flavors in liquid, powder, spray dry, and paste forms, and our technology capabilities include flavor enhancers and modifiers, masking agents, bitterness suppressors, heating and cooling agents, salt reducers, and replacers/extenders for vanilla, cocoa, honey, and sweeteners.
- Fragrances – Fragrance creations, oil or water soluble, encapsulates, and dry blends for personal, fine, fabric, home, air, or pet care products.
- Botanical Extracts – Belltanicals® offers botanical extracts, Essential Infusions, all-natural essential oil blends, certified organic extracts, and NOP-certified organic essential oil blends for personal and home care and food grade products.
- Ingredient Specialties – Commercial quantities of raw materials for flavors and fragrances including natural chemicals, aroma specialties, aroma chemicals, and citrus concentrates.

³ R.S.N.S. 1989, c. 81.

We are a proud signatory member of the International Fragrance Association (IFRA) - International Organization of the Flavour Industry (IOFI) Sustainability Charter. The IFRA-IOFI Sustainability Charter takes a life-cycle approach to sustainability, with Focus Areas and 17 specific commitments ranging from responsible sourcing and reducing our environmental footprint, to employee well-being, to product safety, transparency and partnerships. Although the IFRA-IOFI Sustainability Charter Commitments are on a voluntary basis, Bell is guided by them to improve the overall sustainability of its industry.

Our Company is a Corporate B member of Sedex, the world's largest and most recognized ethical data exchange platform and audit program. Bell's Sedex membership exemplifies our commitment to operating a responsible business, sourcing responsibly, and enhancing ethical standards and working conditions within the supply chain.

On December 4, 5 and 6, 2024, our plant underwent a Sedex Members Ethical Trade Audit (“**SMETA**”) conducted by the BFSI Group. This audit evaluates a company's performance in four critical pillars: labor practices, health and safety, environment, and business ethics. The three-day audit proceeded smoothly, encompassing a global visit, documentation verification, and interviews with employees and management. Three non-compliances were identified and addressed within the required timeframe. As the audit was conducted close to year-end of 2024, improvements were completed in early 2025 and will be detailed in our 2025 report.

b. Mapping Our Supply Chain

Bell's operations extend globally, as its supply chain span across Canada and various regions, including, but not limited to, Germany, the United States of America, Mexico, China, Brazil and Singapore.

In addition to purchasing finished products from our affiliate in the United States of America, which we relabel and sell in Canada, we use raw materials to manufacture flavours for the food industry. We have multiple supplier sources; this ensures consistent on-time delivery of quality products. Bell sources ingredients based on the highest quality and best value available, Bell requires comprehensive documentation from suppliers and brokers to confirm product quality and compliance with food safety regulations and requirements, as well as human rights requirements.

Our Company purchases around 75% of the raw materials required for our activities (e.g., aroma chemicals, essential oils, commodities) from manufacturers and distributors located mainly in the United States of America. We purchase the remaining raw materials from Canadian-based companies. As we source raw materials that have been repackaged by our manufacturers and distributors, from time to time, raw materials purchased could sometimes come from different countries around the world such as, but not restricted to, Argentina, France, Poland, Vietnam, Argentina and Madagascar.

4. Policies and Due Diligence Processes

Bell has embedded responsible business conduct into policies and management systems to prevent and mitigate the risks of forced labour and child labour in its establishment and supply chain. Responsible business conduct is included in:

- Employees Code of Ethics and Business Conduct: each employee at Bell signs a Code of Conduct as part of their employment with the Company, which includes a declaration that child labour or forced labour will not be tolerated within the Company or its suppliers;
- Human Rights Policy: this policy states that Bell is committed to the recognition and safeguarding of human rights in all the countries in which it operates. The policy is sent on request to clients and is available to all employees at all times, online. It includes that child labour or forced labour will not be tolerated within the Company or its suppliers;
- Terms and Conditions of Purchase Order: all purchase orders we issue contain our terms and conditions, which include a specific section prohibiting the use of forced labour and a specific section prohibiting child labour; and
- Suppliers Code of Ethics and Conduct: all suppliers must acknowledge and sign this code to gain approval from our quality team. All current suppliers have confirmed their adherence to, and compliance with, the basic principles outlined in the code. These principles include ethical sourcing, prohibition of child labour and forced labour, and ensuring a fair, healthy, and safe work environment.

While the Company believes the internal policies and codes listed above are the basis of a strong due diligence process addressing forced labour and child labour within its establishments and supply chain, Bell remains open to exploring the need to add or improve policies or processes in the future to further strengthen its commitment to ethical sourcing.

5. Identified Risks of Forced Labour and Child Labour

Bell acknowledges that the *List of Goods Produced by Child Labor or Forced Labor*, maintained by the U.S. Bureau of International Labor Affairs and updated in September 2024, includes some of the raw materials used by Bell (e.g., fruit juice concentrates and vanilla). Consequently, to the best of its current knowledge, the Company recognizes the potential risks associated with forced labour and child labour in some of the raw materials it purchases later in its supply chain. However, Bell remains confident that its existing framework mitigates these potential risks.

The Company remains vigilant and responsive to emerging issues, demonstrating a commitment to continuous improvement in ethical sourcing practices.

6. Risk Assessment and Management

The Company recognizes the importance of robust risk assessment and management processes. In 2024, Bell developed its Suppliers Code of Ethics and Conduct and required all current suppliers to confirm their full compliance with this code and to implement any necessary procedures to maintain their business relationship with Bell. This code mandates that each supplier commits to adhere to, and ensure their own suppliers comply with, the basic principles outlined in the code, including human rights, fair compensation and pay equity, work environment, occupational safety, and the prohibition of child labour or forced labour. We are confident that the addition of this code has reinforced our suppliers' understanding of the critical role we all play in preventing and eliminating the use of child labour or forced labour.

As indicated in Section 3(a) of this report, in early December 2024, our plant underwent a three-day SMETA audit conducted by the BFSI Group. The audit evaluated the Company's performance in labour, health and safety, environment, and business ethics through site inspection, document review, and staff interviews. No other formal assessments or mechanisms, including those which specifically addressing forced labour and child labour have been conducted in 2024. We remain proactive in monitoring and addressing risks across our supply chain to uphold our values of ethical business conduct.

Bell nevertheless recognizes, as mentioned in section 5 of the 2024 Report above, the potential risks associated with forced labour and child labour in the agriculture, forestry, fishing and hunting sectors that could be associated with some of the raw materials it purchases at a later stage in its supply chain.

7. Corrective and Remedial Measures

In alignment with its values of integrity and responsibility, Bell is committed to addressing any issues that may arise in its operations or supply chain. As indicated in Section 3(a) of this report, the SMETA audit identified three non-compliances, all of which were addressed within the required timeframe. Since the audit took place near the end of 2024, the corrective actions were completed in early 2025 and will be detailed in our 2025 report.

The Company is continuously making efforts to identify the need of any corrective and remedial measures and stands ready to take appropriate action should other issues be identified in the future.

8. Impact on Vulnerable Families

Family is at the heart of our activities, and at Bell, we take the potential impacts of forced labour and child labour on vulnerable families very seriously. Although we did not identify any risks in 2024 concerning impacts on vulnerable families within our supply chain, we remain vigilant. Should such impacts be identified in the future, we are committed to acting swiftly and decisively to address them.

9. Employee Training

Bell fully understands its corporate social responsibility. In 2024, all employees involved in purchasing activities received a specific training on the prevention and consequences of child labour and forced labour within the supply chain. This training provided them with the necessary tools to ensure they were taking all precautionary measures to prevent the risk of child labour and forced labour in our supply chain. It also guided them on how to identify and address suspicious activities and report any concerns. The Company also fosters a culture of integrity and social responsibility among its workforce.

10. Evaluation of Policy Effectiveness

Bell recognizes the importance of having policies and procedures in place to assess the effectiveness of its efforts in ensuring that forced labour and child labour are not utilized in its activities and supply chain. Although formal mechanisms specifically addressing forced labour and child labour are not currently established, the Company remains receptive to feedback and continuous improvement opportunities to enhance its ethical sourcing practices.

11. Conclusion and Future Outlook

In conclusion, Bell remains committed to upholding the highest standards of ethical conduct and respect for human rights throughout its operations and supply chain. Looking ahead, we recognize that this commitment is an ongoing and evolving process, and we remain open to suggestions and constructive criticism. Together, we can work to create a world where businesses thrive while respecting the fundamental rights of all individuals.



12. 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 the entity listed above. 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.

This 2024 Report is approved pursuant to subparagraph 11(4)(a) of the Act.

I hereby attest in my capacity as President & CEO of Bell
for and on behalf of the Board of Directors of Bell.

I have the authority to bind Bell.


Ron Stark (May 26, 2025 2:02 EDT)

Full name: Ronald J. Stark
Title: President, CEO & Director of Bell
Flavors & Fragrances (Canada) Co.
Date: 05/26/2025