



MODERN SLAVERY REPORT

2023

NOVA Chemicals Corporation CEO Message

We stand by the principle that everyone has the right to be treated with dignity and respect. NOVA Chemicals is dedicated to supporting and upholding the preservation of human rights in all our operations and throughout our supply chain. As a proud participant in the United Nations Global Compact, we recognize and respect human rights.

Our commitment to human rights is included in our Business Conduct Policy (Code of Conduct), Supplier Code of Conduct, and our Anti-Modern Slavery Policy. In the spirit of inclusivity, this report can be requested in French. *Le rapport suivant peut être demandé en français.*

About NOVA Chemicals

NOVA Chemicals develops and manufactures ethylene and polyethylene for plastic products and packaging that are essential to making everyday life healthier and safer. Our company is headquartered in Calgary, Alberta, Canada, and has manufacturing operations in Alberta and Ontario, Canada and Louisiana, United States. We are also supported by our operating and sales centers in Canada, the United States, Switzerland, and Singapore. Our workforce is made up of approximately 2,600 employees worldwide.

improves modern life. Our products are used in a variety of ways such as food and beverage packaging, e-commerce, and recreational equipment. Our business activities and strategy cover the entire life cycle of plastics including how we manufacture, use, and recycle plastic. Through our commitment to sustainability and Responsible Care® principles, our employees consistently work to ensure health, safety, security, and environmental stewardship throughout every facet of our operations.

Our customers use our polyethylene resins to make plastic products that contribute to keeping people healthy and safe. Plastic is and will continue to be a valuable material that



Our Purpose:

**RESHAPING PLASTICS
FOR A BETTER, MORE
SUSTAINABLE WORLD**

- ▶ By delivering innovative solutions to make everyday life healthier and safer
- ▶ By being a catalyst for a low-carbon, zero-plastic-waste future
- ▶ By unlocking the full potential of our people and partnerships

Our Values:

RESPONSIBLE

We conduct ourselves with honesty and integrity and take accountability for our actions. We strive for excellence.

PASSIONATE

We are motivated and energized to help shape a world that's even better and more sustainable than it is today.

INNOVATIVE

We fuel our success every day with growth mindset, curiosity, imagination and creativity.

COLLABORATIVE

We proactively reach across boundaries to partner with each other, our customers, suppliers and communities.



Commitments and Recognition

In 2022, we obtained an **EcoVadis Silver rating** for the second year in a row which places us in the top 11% of companies assessed by EcoVadis in our industry category. EcoVadis assesses companies using a scorecard that covers 21 sustainability indicators in four themes: Ethics, Environment, Labor and Human Rights, and Sustainable Procurement. NOVA's Labor and Human Rights score was in the top 1% of companies rated by EcoVadis in our industry category. We have applied to be assessed again in 2024 but have not received the results as of the date of this report.



We voluntarily joined the **United Nations Global Compact (UNGC)** which is the world's largest business-led sustainability initiative covering human rights, labor, environment, and anti-corruption. By aligning with these frameworks and standards, we enhance our comparability with peers and are able to better articulate the impact and value of our ESG activities. We confirmed our support to its Ten Principles in the areas of Human Rights, Labor, Environment and Anti-Corruption supported by our annual disclosure using its Communication on Progress. Our membership with UNGC and assurance activities allows us to receive insights, learn from peers, and improve performance on a continuous basis.



Corporate Structure and Activities

NOVA Chemicals Corporation ("**NCC**") is incorporated pursuant to the laws of New Brunswick, Canada. Its head office is located in Calgary, Alberta. NCC is in the business of the production and marketing of petrochemicals. NCC is the parent of several entities as shown in the relevant organizational structure below.

NCC is fully controlled and owned by NOVA Chemicals Holding GmbH ("**NOVA HoldCo**") which is incorporated pursuant to the laws of Austria. NOVA HoldCo's head office is located in Austria and it is responsible for appointing NCC's Board of Directors. Apart from this oversight function, NOVA HoldCo is not active in the management of NCC or its subsidiaries.



In addition to NCC and NOVA HoldCo, the Reporting Entities for the purpose of this report include:

- NOVA Chemicals Inc. (“**NCI**”) which is incorporated pursuant to the laws of Delaware. Its head office is located in Moon Township, Pennsylvania, USA. NCI is responsible for distributing polyethylene and coproducts from affiliated entities to US customers. It also owns the USA portion of the Genesis Pipeline system.
- NC Holdings USA Inc. is incorporated pursuant to the laws of Delaware. It fully controls and owns NCI.
- NOVA Chemicals Olefins LLC (“**NCO**”) which is incorporated under the laws of Delaware, USA. It is a subsidiary of NCI. NCO is the majority owner and the operator of the Geismar, Louisiana, USA facility which is an ethylene and propylene plant. The plant is a joint venture with another minority owner.
- NOVA Chemicals (International) S.A. (“**NCISA**”) which is incorporated under the laws of Switzerland. Its head office is located in Fribourg, Switzerland. It is an international sales company that procures, purchases, sells, and distributes NOVA Chemicals’ products.

Where this report refers to “NOVA Chemicals” it is a reference to NOVA HoldCo, NOVA Chemicals Corporation and its direct and indirect subsidiaries as noted above. NOVA Chemicals’ financial year runs from January 1 to December 31 of each calendar year. This report covers the 2023 calendar year unless noted otherwise elsewhere.

NOVA Research and Technology Corporation was incorporated under the laws of Alberta with a head office in Calgary, Alberta. It was voluntarily dissolved on May 15, 2023. Prior to dissolution it was involved in research and development programs in support of NOVA Chemicals’ business initiatives. It had minor procurement spend in 2023 but as it is no longer a going concern it is not one of the Reporting Entities for the purposes of this report.

Governance

NOVA HoldCo has delegated all of the operational and managerial responsibilities related to the Ethics and Compliance program to NCC. As such, NCC is responsible for creating the compliance program for anti-modern slavery efforts and the preparation of this report. Other than empowering NCC to conduct those activities, NOVA HoldCo has not taken any other independent actions to combat modern slavery in its operations. The anti-modern slavery strategy described in this report applies to NCC and its direct and indirect subsidiaries as a whole.

The Chief Compliance Officer, leader of the Ethics and Compliance Team for NOVA Chemicals, leads NOVA Chemicals’ efforts to identify and remove modern slavery from its supply chain. In fulfilling this mandate, the Ethics and Compliance team coordinates with the Procurement, Human Resources, Finance, and Legal business units.

The Ethics and Compliance Team is responsible for developing, implementing, directing, reviewing, and revising the Ethics and Compliance program to be consistent with our risk profile and business strategies and to meet best practices. The Chief Compliance Officer reports directly into the Senior Vice President and General Counsel who in turn reports directly into NCC’s Chief Executive Officer.

The team reports ethics and compliance metrics quarterly to the Executive Committee and the Audit, Risk & Compliance Committee of the NCC Board and annually to the NCC Board of Directors. Our Ethics and Compliance Team continues to oversee and implement monitoring and remediation plans for ethics and compliance risks and violations.

NOVA Chemicals' Current Locations

Our operational sites and offices are in countries with strong legal and human rights regulations. These sites are at low risk for modern slavery due to these protections. We comply with all employment, labor, occupational health and safety, human rights, and other applicable laws in the regions in which we operate.



NOVA Chemicals' Employees and Contract Workers' Locations

All of our employees are above the legal age to work. We protect and support the communities where we work by maintaining safe working conditions in which all employees are given an appropriate number of working hours and fair compensation for their work.

As of December 31, 2023, we had a total of 2,618 employees (not including co-op students) worldwide located in the following countries:

Canada	2,338
United States	271
Switzerland	8
Singapore	1

We also use contract workers and contract sales representatives in our operations. As of December 31, 2023, we had a total of 1,392 contractor workers engaged in our operations. They are located in the following countries:

Canada	1,275
United States	116
Brazil	1

Human trafficking, or modern slavery, is a criminal industry that denies people their freedom and human rights. We stand firmly against human trafficking and slavery and all human rights violations. We are hired fairly and with consent, and we hire others fairly and with consent.

NOVA Chemicals' Supply Chains

NOVA Chemicals' Chief Officer, Supply Chain and Procurement is located in Pittsburgh, Pennsylvania and all of NOVA Chemicals' procurement employees work in Calgary, Alberta; Sarnia, Ontario; and Pittsburgh, Pennsylvania, United States of America.

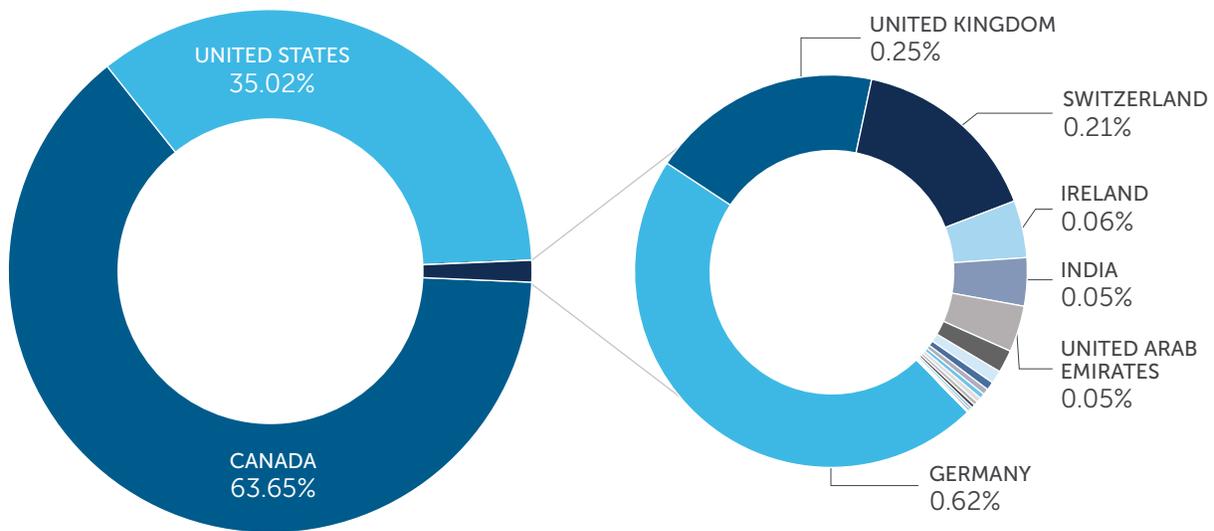
COUNTRY ANALYSIS

In 2023, NOVA Chemicals had a total procurement spend of approximately \$4.7BCAD. NCC is the primary purchaser of supplies with a total procurement spend of approximately \$3BCAD.

We had approximately 2,700 suppliers in 2023. The majority of NOVA Chemicals' suppliers, making up approximately

98.67% of its procurement spend, are located in Canada (63.65%) or the United States (35.02%). The remaining 1.33% (approximately \$6.2MCAD) of NOVA Chemicals' procurement spend comes from suppliers based in the following regions (from highest to lowest spend): Germany, United Kingdom, Switzerland, Ireland, India, United Arab Emirates, Italy, Brazil, Netherlands, Spain, Mexico, China (Hong Kong), Japan, Ecuador, Republic of Korea, Denmark, Malaysia, New Zealand, Belgium, China, South Africa, Finland, Taiwan, Peru, Uruguay, Argentina, Philippines, and Indonesia.

Of these countries, Germany, Ireland, India, Italy, Switzerland, United Arab Emirates, and the United Kingdom are the only countries with a procurement spend in excess of \$1MCAD.



SPEND CATEGORY ANALYSIS

The largest procurement spend is our feedstock which consists of ethane, ethylene, and natural gas. In 2023, these costs accounted for approximately 47% of our procurement spend. Our feedstock is sourced from large and reputable companies with offices in Canada and the United States. The feedstock is extracted solely from Canada and the United States.

Other large spend categories include construction and maintenance services (11%), logistics (10%), and raw materials (8%). A number of other miscellaneous categories make up the remaining 24% of our procurement spend but these costs are widely distributed amongst numerous diverse categories such as: corporate services, professional services, equipment, IT, packaging, utilities, facilities management, leasing, travel services, etc.

Modern Slavery Risk Assessment

We conducted a risk assessment by reviewing our procurement spend categories, location of our suppliers, location of our operations, and location of our employees and contract workers. These were compared against the high risk countries and goods criteria outlined by Walk Free, the International Labour Organization, and the United States Department of Labour List of Goods Produced by Child Labour or Forced Labour.

EMPLOYEES AND CONTRACT WORKERS

NOVA Chemicals' modern slavery risk assessment for direct employees and contract workers is low. NOVA Chemicals' work force consists of predominantly full-time employees employed in Canada, the United States, and Switzerland. We have one employee located in Singapore with whom we contract directly. NOVA Chemicals also uses contract workers who are generally skilled trades, engineers, and professional consultants located in Canada and the United States. We do not use temporary foreign workers in our direct operations.

NOVA Chemicals is confident that, as a result of recruitment, remuneration and compliance programs, there is low risk that any of its direct employees or contract workers are subjected to modern slavery.

STAFFING AND RECRUITMENT AGENCIES

NOVA Chemicals has reviewed its staffing agencies and recruitment agencies. In Alberta and Switzerland such agencies are legally required to be licensed. Ontario recruitment agencies will need to be licensed effective July 1, 2024. All of the staffing and recruitment agencies we use in these regions are therefore either licensed or in the process of becoming licensed. In the United States, where required, all of the recruitment or staffing agencies we use are licensed. Some states do not require licensing so we are in the process of updating our contracts with these companies to ensure that they comply with our Anti-Modern Slavery Policy and do not engage in recruitment practices that can increase the risk of modern slavery, for example, charging employees a fee to use their services or retaining applicants' or workers' identity documents.

NOVA Chemicals has a stringent Temporary Service Program ("TSP"), following best practices from regulatory, safety and ethical perspectives. Most of our TSPs come from professional backgrounds or are skilled workers and include the following disciplines as of December 31, 2023: planners, construction workers, safety professionals, human resources, lab and research technicians, procurement specialists, IT professionals, process operations, engineers, warehouse staff, communications professionals, accounting, nurses, designers, and associates.

SUPPLY CHAIN PARTNERS

NOVA Chemicals' largest risk of modern slavery arises from its supply chain and business partners. Our supply chain involves several sub-suppliers, the identities of which are currently not well understood. In 2023, NOVA Chemicals focused its modern slavery assessment on its direct supply chain partners. In particular, we focused on understanding where our direct suppliers are located and identifying the categories of goods purchased from these suppliers. Most of our direct suppliers are located in Canada and the United States, however, we purchase some goods from distributors which may make determining the country of origin of the goods more difficult. We recognize that there may be some discrepancies between where the distributors are located and the country of origin of the goods we purchase. In particular, our raw materials which are used in our research and development (and in some of our resins) are likely our largest risk area. We are still in the process of understanding this in greater depth.

We also purchase a small amount of goods and services that are used in most businesses but that are at a higher risk for modern slavery such as clothing items used for personal protective equipment, cell phones and other computer and electronic devices, cleaning (through our office leases), coffee, catering, and waste disposal. For 2023, we have focused our efforts on conducting a current state assessment. In 2024 and beyond we will focus on areas that present the greatest risk such as raw materials. NOVA Chemicals will continue to assess its suppliers.

NOVA Chemicals' Policies and Programs

POLICIES

We recognize that conducting business ethically, maintaining compliance, and upholding human rights is critical to the success of our business. We routinely review our policies and practices and update them as necessary. In 2023 we adopted an [Anti-Modern Slavery Policy](#) which sets out the following:

- Definition and examples of modern slavery;
- NOVA Chemicals' supplier screening processes;
- NOVA Chemicals expectations of its suppliers;
- Minimum supplier requirements for protecting workers;
- Prohibited supplier practices;
- Roles and expectations for NOVA Chemicals' employees; and
- Whistleblower hotline and anti-retaliation commitment.

We also have the following pre-existing policies and programs that were reviewed in 2023, and updated where applicable, to ensure adequate protection against Modern Slavery risks:

- **Business Conduct Policy (Code of Conduct):** Our Code of Conduct is designed to assist everyone who works for or with or represents NOVA Chemicals, including employees and directors, in making decisions with integrity and honesty. It includes references to our policies and guidelines that promote compliance with laws and regulations. We monitor changes and developments and maintain up-to-date controls. The Code of Conduct highlights the importance of maintaining a responsible supply chain.
- **Supplier Code of Conduct:** Our Supplier Code of Conduct outlines our ethical and compliance expectations of suppliers in the areas of human rights; integrity; transparency; health, safety and the environment; and confidentiality.
- **Business Partner Due Diligence Policy:** This internal policy outlines the expectation for Business Partners Due Diligence such that NOVA Chemicals works only with business partners who meet our standards in relation to ethics and compliance, and have a shared commitment to acting in a legally compliant manner.

- **Sustainable Procurement Policy:** This internal policy outlines NOVA Chemicals' expectations for its suppliers' activities, regarding quality, cost, and delivery. It also contains a description of our internal processes for vetting suppliers for ESG and other concerns.

COMPLAINTS LINE AND GRIEVANCE PROCEDURE

Maintaining a robust ethics and compliance management system is critical to reducing reputational and operational risks associated with potential violations or wrongdoing. It is also key to upholding human rights in our company and within our supply chains. We support a "speak up" and a "listen up" culture.

Our EthicsPoint® reporting system is a 24-hour confidential and anonymous telephone and online reporting system. The EthicsPoint® system is for employees, contractors, business partners, and members of the public to ask questions about ethics matters, request help in decision-making, or report possible violations of our policies. Depending upon the country the call is made from, the EthicsPoint® system is available in English, Cantonese, French, German, Italian, Mandarin, and Spanish.

In addition to using the EthicsPoint® reporting system, concerns or questions can be raised to leaders, the legal department, or human resources staff. All matters reported through the EthicsPoint® system or other means are investigated, documented, and resolved or further followed up on. We have a written and detailed investigation protocol with a targeted timeline for completing investigations. Retaliation against anyone who, in good faith, reports a suspected, potential, or actual violation is strictly prohibited.

When complaints are established, we perform a root cause analysis to identify improvements and organizational learning opportunities to prevent reoccurrence. We may also institute corrective actions for those who do not follow our policies up to and including termination of employment or engagement when warranted.

TRAINING

All employees are required to complete a business ethics and compliance curriculum within their first two months of hire at NOVA Chemicals and annually thereafter. Most of the training consists of online learning modules, with some additional training sessions provided in person. In 2023, 94% of permanent active employees completed business conduct training. In 2023, we also introduced training about modern slavery to targeted key employees: the Executive Committee, Procurement, Legal, and Human Resources. By December 31, 2023, 82% of targeted employees completed this training.

THIRD-PARTY SCREENING PROCEDURES

We seek to work with suppliers, customers, agents, and distributors who are aligned with our efforts to conduct ethical business practices. Our business impacts include the indirect impacts from our supply chain, and we are committed to ensuring that our partners meet our standards and commitments for environmental responsibility, human rights, and health and safety of employees and communities.

Using a combination of an internal screening process and third-party service providers, we assess the risks associated

with our suppliers (including staffing and recruitment agencies), customers, and distributors. Criteria we evaluate include trade-prohibited countries, denied parties (according to relevant government agencies), and value of the business arrangement. The level of risk determines the level of further due diligence which may include further investigation, risk mitigation, and greater scrutiny. External assessments are also critical in our sourcing and supply chain partner relationships. We use EcoVadis assessments, NAVEX RiskRate Due Diligence Management System and ISNetwork[®] software to review and score the sustainability performance and management systems of targeted supply partners on topics such as Environment, Labor and Human Rights, and Ethics. These processes involved detailed questionnaires about suppliers' human rights policies, practices, and past violations.

Technical and Corporate Procurement currently qualifies contractors and suppliers by utilizing a third-party to gather, evaluate and grade against industry aligned health, safety and environmental criteria. Utilizing this same platform, steps were taken in 2022 to map out a Sustainability Scorecard to allow us to score and grade our suppliers based on their ESG practices and objectives.

2023 Activities for Combating Modern Slavery

In 2023, we focused our efforts on:

- Adopting the new Anti-Modern Slavery Policy;
- Introductory training for the Executive Committee and employees in Procurement, Human Resources, and Legal about modern slavery;
- Reviewing our contracts with recruitment and staffing agencies to determine if these vendors are licensed and to explore opportunities to minimize the risk of modern slavery;
- Drafting contractual clauses to include in our supply contacts which encourage suppliers to eliminate modern slavery from their supply chains;
- Drafting contractual clauses for our recruitment and staffing agencies to include modern slavery risk protections;
- Drafting a supplier questionnaire for our direct suppliers and sending the same to our raw materials suppliers;
- Engaging with risk management companies to investigate monitoring tools and supply chain mapping products;
- Updating EthicsPoint[®] to have a modern slavery complaint category; and
- Introducing the topic of modern slavery and applicable legislation in a company-wide ethics and compliance presentation.

Assessing our Approach

Prior to 2023, NOVA Chemicals did not have a process to evaluate the effectiveness of the measures used to eliminate modern slavery in its supply chain. In future years, we will use the following metrics to assess whether our approach is helping to eliminate the risks of modern slavery in our supply chain:

- Number of targeted employees who complete training about modern slavery;
- Number of direct suppliers who complete our supplier questionnaire;
- Number of direct suppliers who acknowledge and agree to our Anti-Modern Slavery Policy and Supplier Code of Conduct;
- Number of complaints, concerns, or questions about modern slavery raised to EthicsPoint®;
- Working with auditors to identify gaps in our due diligence procedure; and
- Working with auditors to assess higher-risk segments of our supply chain.

Measures Taken to Remediate Modern Slavery and Associated Income Loss

To date, we have not identified any modern slavery in our supply chain. Accordingly, we have not taken any measures to remediate modern slavery or any associated loss of

income to the most vulnerable families that results from any measure taken to eliminate the use of modern slavery in our supply chain.

Future Priorities

We have the following goals for 2024 and future years:

- Increase modern slavery training for employees;
- Continue to update our supplier and recruitment contracts with contractual protections;
- Increase the number of suppliers who acknowledge and agree to our Anti-Modern Slavery Policy and our Supplier Code of Conduct;
- Roll-out our supplier questionnaire and increase the number of suppliers who respond;
- Liaise with industry associations to learn about their best practices in eliminating modern slavery from their supply chains;
- Consider creating an Anti-Modern Slavery Action Committee likely consisting of individuals with the following expertise: Procurement, Sustainability, Legal, Ethics and Compliance, Internal Audit, Human Resources, Raw Materials and Feedstock; and
- Consider conducting audits of our direct and indirect suppliers;

Scope of this Report and Approval

This report covers performance for NCC, its subsidiaries, and NOVA HoldCo. The terms NOVA Chemicals, our, we, us, the company, and the corporation refer to NCC, its subsidiaries,

and NOVA HoldCo as a whole. The report has been approved by the relevant Boards of Directors on the following dates as noted below:

ENTITY	DATE	MECHANISM OF APPROVAL
NOVA Chemicals Holding GmbH	May 10, 2024	Written resolution
NOVA Chemicals Corporation	May 2, 2024	Resolution at Board meeting
NOVA Chemicals Olefins LLC	May 10, 2024	Written resolution
NC Holdings USA Inc.	May 10, 2024	Written resolution
NOVA Chemicals Inc.	May 10, 2024	Written resolution
NOVA Chemicals (International) S.A.	May 10, 2024	Written resolution

In accordance with the requirements of the Act, and in particular section 11 thereof, we attest that we have reviewed the information contained in the report for the entity or entities listed above. Based on our knowledge, and having exercised reasonable diligence, we 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. The signatories below confirm that they have the legal authority to bind the relevant entity.

This report will be filed online with the Canadian Government's reporting portal and it will also be published on NOVA Chemicals' external website www.novachem.com and on NOVA Chemicals' intranet. *Ce rapport peut être demandé en français.*



Roger Kearns,

President and Chief Executive Officer, NOVA Chemicals Corporation, NOVA Chemicals Olefins LLC, NC Holdings USA Inc., NOVA Chemicals Inc.; Director, NOVA Chemicals (International) S.A.

I have the authority to bind the entities above.

Signed on May 10, 2024



Timothy Breen,

Chairman of the Board of Directors
NOVA Chemicals Corporation.

I have the authority to bind
NOVA Chemicals Corporation.

Signed on May 22, 2024



Danny Dweik,

Managing Director NOVA Chemicals
Holding GmbH.

I have the authority to bind
NOVA Chemicals Holding GmbH.

Signed on May 10, 2024