



Bill S-211 Report - Fighting Against Forced Labour and Child Labour in Supply Chains Act

Introduction

Baffinland Iron Mines LP and its general partner (collectively “Baffinland”), are committed to the protection of human rights, prevention of modern slavery, forced labour and child labour within our operations and across the value chain. Baffinland conducts its business in accordance with the Universal Declaration of Human Rights as stated in our Sustainable Development Policy.

Baffinland values honesty and integrity in its operations, and all its business transactions. We adopt these values and maintain relationships of trust with all individuals and companies with whom Baffinland has business dealings. Each new employee, contractor and representative is required to acknowledge their awareness and compliance with the policies identified in our Code of Business Conduct.

Structure, Activities & Supply Chain

Baffinland operates as a private company at 360 Oakville Place Drive, Oakville, ON L6H 6K8, with our northern headquarters located in Iqaluit, Nunavut. The financial reporting year of Baffinland covered by this report is January 1st to December 31st, 2025. Baffinland satisfies the definition of an Entity within the Act by having a place of business in Canada, conducting business in Canada, having assets in Canada and meeting all three size-related thresholds. Baffinland employs 1,114 staff members across Canada with one-third of our workforce residing in Ontario.

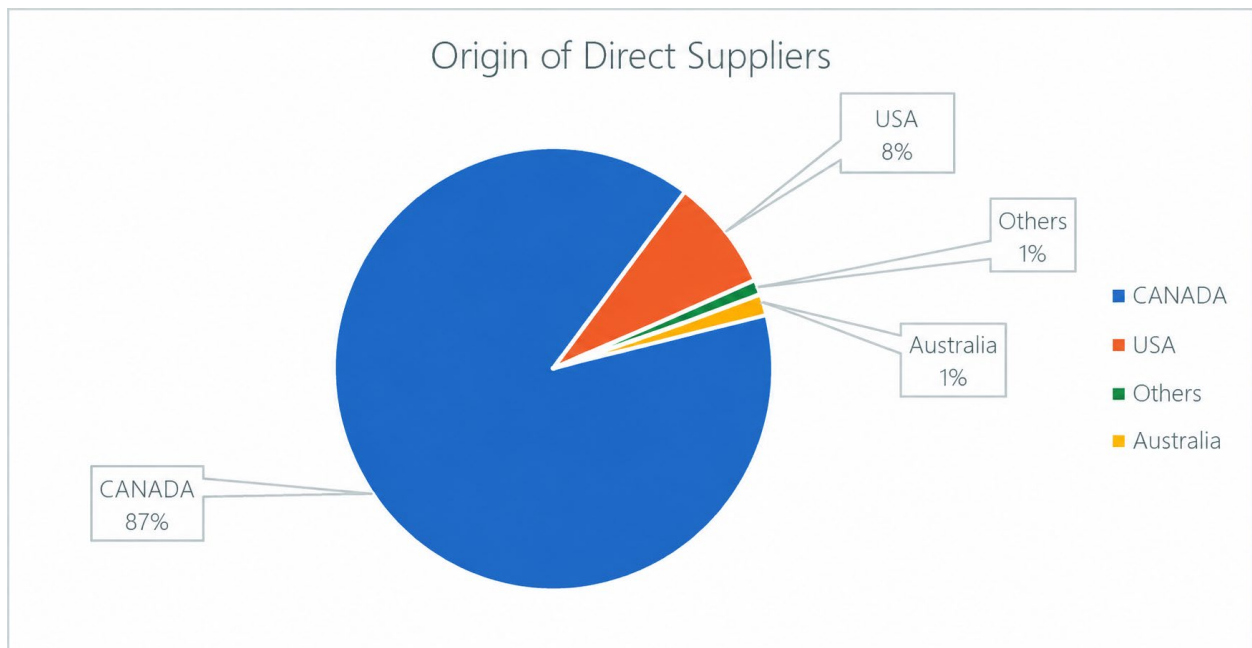
Structure - Baffinland is a Canadian mining company that produces one of the highest grades of direct shipping ore in the world, on Baffin Island in Nunavut, Canada. Baffinland’s primary business is mining and exporting iron ore, contributing to the global supply of this essential raw material for steel production. Baffinland's operations also include infrastructure development of roads and port facilities to transport the extracted iron ore from the mine site to shipping ports for export to global markets.

This is the third annual report submitted, and the report is for the entity Baffinland Iron Mines LP. There are no other reporting requirements under other jurisdictions. Baffinland Iron Mines LP’s general partner is Baffinland Iron Mines Corporation, and its sole limited partner is Nunavut Iron Ore Inc.

Activities - Baffinland operates in the natural resources sector, specifically in the mining industry. The company is primarily engaged in the exploration and development of iron ore deposits and the production of direct shipping iron ore. As such, Baffinland operates within the broader mining and metals sector, focusing specifically on the extraction and processing of iron ore resources. Baffinland has among the richest iron ore deposits ever discovered, consisting of nine-plus high-grade iron ore deposits that can be mined, crushed, and screened into marketable products. These products cater to many different customer segments and consumer needs. Within the mining sector, Baffinland's operations are centered around its mining operations, the Mary River Mine, located on Baffin Island in Nunavut. The Mary River Mine consists of over nine high-grade iron ore deposits, producing one of the highest grades of Direct Shipping Ore (DSO) in the world. Baffinland’s high-grade iron ore is considered one of the key inputs for the production of green steel.

Supply Chain - Baffinland directly procures goods from 15 origin countries (Canada, USA, Australia, United Kingdom, Netherlands, Denmark, France, Sweden, Malta, Germany, Finland, Hong Kong, United Arab Emirates, Republic of Marshall Islands and Norway). It is possible that some of the vendors have parent companies residing outside of the known vendor addresses. We have analyzed the office addresses of all our vendors and found that they are mostly Canadian (refer to Figure 1). Baffinland has limited visibility on the full geographical reach of its suppliers' locations and limited knowledge of where suppliers source their goods. Figure 1 represents the makeup of our supply chain by country and by total purchasing spend. Baffinland has 560 direct suppliers, with 87% of our vendors located in Canada, 8% located in the U.S., and 1% in Australia. Countries accounting for less than 1% of the total purchasing spend each were not included in the risk assessment analysis and are represented as other in Figure 1 below. In fiscal year 2025, Baffinland procured 95% of goods directly from entities in Canada and the United States. Baffinland has not yet performed an analysis of indirect suppliers for the purposes of reporting under the Act.

Baffinland acknowledges that it is possible that some of the vendors may have parent companies and subsidiaries established outside of our jurisdictional point of contact. Baffinland has reduced visibility on the full geographical reach of its suppliers' locations and limited knowledge of the origin of their goods.



(Figure 1)

Policies & Due Diligence

Baffinland has the following policies in place relevant to this Act:

Policy	Description	Support in Mitigating Risk of Forced Labour and Child Labour
Prevention of Forced and Child Labour in Supply Chain Policy	<ul style="list-style-type: none"> Outlines Baffinland's commitment to upholding human rights and ensuring that our supply chains are free from forced labour and child labour. We recognize our responsibility to promote ethical sourcing and to protect the rights of vulnerable populations. 	<p>Our Policy outlines Baffinland's approach to identifying, preventing, and addressing forced and child labour within our supply chains. With the policy in place, Baffinland is committed to adhering to international human rights standards and provisions of Bill S-211 enacted to fight against forced Labour and Child Labour in the supply chain.</p>
Sustainable Development Policy	<ul style="list-style-type: none"> Outlines Baffinland's commitment to balancing economic growth, social progress, and environmental protection to meet the needs of the present without compromising the ability of future generations to meet their own needs. 	<p>Our sustainable development policy provides a framework for Baffinland to integrate social, environmental, and ethical considerations into their business operations, contributing to the prevention of forced and child labour. By promoting responsible business practices, companies can play a crucial role in advancing the fight against exploitation and abuse in global supply chains.</p>
Whistleblower Policy	<ul style="list-style-type: none"> A set of guidelines and procedures established by Baffinland to encourage employees, contractors, and stakeholders to report any unethical activities within the organization without fear of retaliation. 	<p>Instances of forced labour or child labour often occur covertly within supply chains or within company operations. Employees or stakeholders who are aware of such practices may hesitate to come forward due to fear of retaliation or lack of confidence in the reporting process. Our whistleblower policy provides a mechanism for these individuals to report violations confidentially and anonymously, thereby enabling the detection of labour abuses that might otherwise go unnoticed.</p>

Anti-Bribery and Anti-Corruption Policy	<ul style="list-style-type: none"> A set of guidelines that outline Baffinland’s commitment to preventing bribery and corruption. It defines prohibited conduct, outlines reporting mechanisms, and defines stakeholder responsibilities. 	<p>Forced labour and child labour often occur in industries or regions where bribery and corruption are prevalent. By implementing robust anti-bribery and anti-corruption measures, Baffinland reduces the risks of exploitation and abuse faced by vulnerable workers, including children. In addition, preventing bribery and corruption creates a transparent business environment where labour rights are respected and enforced.</p>
Workplace Harassment and Violence Policy	<ul style="list-style-type: none"> Outlines Baffinland’s stance against harassment and violence and establishes procedures and guidelines for reporting incidents of violence, intimidation, harassment, sexual harassment and bullying on company premises, at company events or while conducting company business. 	<p>Our clear harassment policy establishes a safe and respectful workplace environment. The policy outlines the method for reporting any issues employees encounter, including instances of violence that could be attributed to conditions that create forced or unsafe labour or within Baffinland’s internal operations.</p>
Code of Business Conduct	<ul style="list-style-type: none"> Principles that define desired behaviour and ethical standards for Baffinland’s employees and staff. The code promotes integrity, professionalism, and ethical decision-making, and good judgement. 	<p>Our code of conduct sets cultural standards and a dedication to being accountable for doing what is right. Employees are required to speak up if they identify any injustices in our operations or code of ethics. It is part of our duty to our members and stakeholders.</p>

Due Diligence with the Suppliers –

Baffinland has implemented processes to mitigate the risks of human rights violations and instances of forced and child labour within our operations and supply chains. All new suppliers at Baffinland are provided with an onboarding package that includes a New Vendor Request and Change Form, Baffinland’s Code of Business Conduct, Anti-Bribery and Anti-Corruption Policy and Bill S-211 Policy. The New Vendor Request form includes a signed acknowledgement stating that the supplier is compliant with the policies outlined in the Code of Business Conduct and Anti-Bribery and Anti-Corruption Policy. Additionally, the onboarding process includes screening all new vendors through the LSEG World-Check, giving Baffinland insights on potential suppliers,



including information on criminal activities, regulatory violations, sanctions, adverse media coverage, and other relevant risk factors. By identifying suppliers with a history of involvement in forced labour and/or child labour practices, Baffinland can mitigate the risk of inadvertently supporting exploitative labour practices.

In-person site visits are typically only conducted when we are experiencing product or quality problems. Though these reviews do not currently review supplier compliance in relation to the Act, Baffinland plans to implement clauses requiring suppliers to attest to not using child labour or forced labour in their operations or supply chains. This will assess forced labour and child labour risks within the supply chain, while expecting our vendors to remain compliant with national and international labour laws. Baffinland will also incorporate on-site visits of our largest suppliers. These visits will aim to strengthen supplier relationships, increase visibility into vendor operations and establish open lines of communication.

Risk Assessment

A risk assessment of the goods procured by Baffinland and the countries from which the goods are procured has been performed in relation to the Act. This risk assessment used two separate indices to conclude on the inherent risk of forced labour and child labour related to goods and countries — Walk Free’s Global Slavery Index and the US Department of Labour’s List of Goods Produced by Child Labour or Forced Labour.

While we know that some of our vendors purchase goods from foreign countries, we do not know the full extent of this procurement activity. We are also aware that we purchase highly finished goods built with multiple materials and that each material may contain a different risk profile and supply chain risks.

Goods Procured - For the purposes of a risk assessment of our procured goods, this report focuses on material suppliers only. We evaluated suppliers making up 90% of the total procurement spend for fiscal year 2025 — any suppliers falling outside this threshold of total procurement spend were deemed immaterial (since their purchases were less than 1% each) for this assessment and have been excluded from our analysis. As a result, the top 39 goods suppliers were considered in the risk assessment. The table below provides each material category of mining goods procured and the percentage of the total 2025 spend. To identify each category’s inherent risks of forced and/or child labour, the main raw materials of each category were broken out and assessed using the indices indicated in the paragraphs above:

Category of Goods	Percent of Total Spend in Fiscal Year 2025	Main Raw Materials within the Category of Goods	Identified Inherent Risk of Forced Labour and/or Child Labour
Mining Equipment (i.e., loaders, dozers, trucks, etc.) and Spare Parts (i.e., for mining equipment, trucks, crushers, generators, loaders, etc.)	44%	<ul style="list-style-type: none"> • Iron • Copper • Gold • Coal • Nickel 	High

Category of Goods	Percent of Total Spend in Fiscal Year 2025	Main Raw Materials within the Category of Goods	Identified Inherent Risk of Forced Labour and/or Child Labour
Food Items and Camp Supplies (perishable and non-perishable for remote mining location cafeteria/canteen)	5%	<ul style="list-style-type: none"> • Tomatoes • Meat • Salt • Beans • Bananas • Broccoli • Potatoes • Carrots • Fruits • Corn • Cucumber • Onions • Grapes • Toilet paper • Other Camp Supplies 	High
Fuel	38%	<ul style="list-style-type: none"> • Arctic diesel • Jet-A Fuel 	Low
Construction	3%	<ul style="list-style-type: none"> • Building Materials 	Medium
Explosives	6%	<ul style="list-style-type: none"> • Coal 	High
Personal Protective Equipment (PPE)	1%	<ul style="list-style-type: none"> • Rubber • Iron • Leather Goods/Accessories • Textiles 	High
Gases and Lubricants (i.e., grease, welding gas, oils)	2%	<ul style="list-style-type: none"> • Crude Oil 	High
IT Equipment	1%	<ul style="list-style-type: none"> • Copper • Zinc 	High

Category of Goods	Percent of Total Spend in Fiscal Year 2025	Main Raw Materials within the Category of Goods	Identified Inherent Risk of Forced Labour and/or Child Labour
		<ul style="list-style-type: none"> • Gold • Iron • Nickel 	

Countries of Procured Goods - For assessing country-associated risks of forced labour and/or child labour, Baffinland evaluated all suppliers from which we purchased goods in fiscal year 2025.

Using the *Walk Free Global Slavery Index* and the *U.S. Department of Labour List of Goods Produced by Child Labour or Forced Labour*, we conducted a risk assessment on the countries of operations of our vendors. Our analysis found that 87% of our suppliers conduct their operations in Canada, 8% in the U.S and 1% from Australia. These countries have a low inherent risk exposure of forced and child labour in their operations.

Countries making up the remaining 4% of Baffinland’s suppliers include Netherlands, Denmark, France, Sweden, Malta, United Arab Emirates, Germany, Finland, Norway, Republic of Marshall Islands, United Kingdom and Hong Kong. According to both global benchmarks, the majority of origin countries (making up 100% of suppliers) are considered to have **low inherent risk** exposure of forced labour and child labour in their operations.

Baffinland is aware that some of its vendors have headquarters in foreign countries and that these vendors may procure their goods from other regions or other vendors, but at this time, Baffinland does not know the full extent of where all vendors’ goods are sourced.

We will continue to implement and enhance our due diligence procedures to ensure risk identification and mitigation.

Mitigating Activities

To mitigate the risk of child labour and forced labour within supply chains, Baffinland incorporates the following mechanisms for supplier onboarding and monitoring:

1. Supplier Onboarding

- a. **Vendor Request Form:** All suppliers are required to sign Baffinland’s New Vendor Request and Change Form. This form contains a signed acknowledgement stating that all new vendors are compliant with Baffinland’s Code of Business Conduct and Anti-Bribery and Anti-Corruption Policy and Bill S-211 policy. We now have a clause allowing Baffinland to terminate vendor relationships if there are reasonable grounds to believe that the supplier has engaged in unethical acts or displayed immoral behaviour in its operations.
- b. **Supplier Screening:** All new suppliers are screened through LSEG World-Check. This database includes information on individuals and entities associated with illegal or unethical activities, including human trafficking, exploitation, and labour abuses. By screening suppliers against World-Check’s database, Baffinland can identify high-risk entities that may be

involved in child labour or forced labour practices.

- c. **Supplier Agreement:** Baffinland also lists general purchasing conditions on supplier agreements, ensuring that vendors are compliant with our group policies, including Human Rights, Health and Safety, Code of Business Conduct, Anti-Bribery and Anti-Corruption.

2. Supplier Monitoring

- a. **Annual Reviews:** Our top suppliers have annual reviews conducted on performance. These reviews currently include discussions on product or delivery problems and any other concerns.
- b. **On-site Visits:** Baffinland is looking to introduce more consistency in on-site visits to key suppliers.

In 2026, Baffinland will further consider if additional actions for incorporation of provisions under this Act are required.

3. Internal Policies

- a. **Policies to mitigate risk of forced labour and child labour:** Baffinland has developed a policy related to the Prevention of Forced and Child Labour in Supply Chain Policy, which outlines Baffinland's commitment to upholding human rights and ensuring that our supply chains are free from forced labour and child labour. Baffinland recognizes its responsibility to promote ethical sourcing and to protect the rights of vulnerable populations.

Remediation of Forced & Child Labour & Vulnerable Family Income Loss Awareness Training

Baffinland is continuing to improve visibility into its supply chain and is continuing to review procurement practices to enhance the rigour of our due diligence processes, including raising awareness with suppliers. To date, Baffinland has not identified or suspected any instances of forced labour or child labour within our operations or those of our suppliers. Consequently, no remediation measures were required with respect to forced labour or child labour.

Assessing Effectiveness

To track Baffinland's effectiveness of procedures to mitigate the risk of child labour and forced labour, the following mechanisms are in place:

Baffinland has developed the following procedures and practices to identify, mitigate and monitor the risk of child and forced labour within the supply chain to continue assessment of the effectiveness of such:

Review of internal systems and controls (whistleblower, confidentiality line)

Grievance and incident response of reported incidents under this Act

Supplier monitoring for compliance under this Act: List only the ones currently in place, and effectiveness assessment would be expanded in the future, following implementation of protocols in place.

Baffinland Internal Processes

1. **Reporting systems:** Baffinland has created a safe space to report instances of inappropriate and/or unethical activities without the fear of retaliation. The Baffinland ConfidenceLine is administered by an independent third-party, Xpera HR Services Inc., which provides an anonymous platform for Baffinland employees to report serious concerns and ethical violations. Child labour and forced labour often occur in hidden or remote locations, making detection challenging. Our system for reporting instances of unethical behaviour encourages individuals with knowledge of such exploitation to come forward confidentially and ensures that instances of abuse are reported and addressed promptly.
2. **Harassment incidents:** Baffinland has a zero-tolerance for workplace violence and harassment. All claims made regarding harassment will be reported to the Health and Safety Committee. A workplace harassment prevention program will be developed to resolve the issue in a timely manner.
3. **Conduct and behaviour incidents:** Full compliance with Baffinland's Code of Business Conduct is expected of all employees. All claims made regarding inappropriate conduct and behaviour will be subject to investigation.
4. **Employee training:** Baffinland has engaged a third-party expert to provide training to various department heads on identifying and preventing forced and child labour within our supply -chain. Building on this initiative, Baffinland will continue to offer related training to employees, incorporating it into the Human Resources onboarding process to ensure comprehensive understanding and adherence to ethical labour standards across the organization.

Supplier Activities

1. **Supplier contracts:** Baffinland will implement a clause within supplier contracts explicitly stating a zero-tolerance for child labour and forced labour. This clause will identify the outcome or, disciplinary action should any instances of child labour or forced labour be reported or discovered by Baffinland.
2. **Supplier questionnaire:** A phased-in approach will be adopted to have suppliers complete a Supplier Questionnaire, which will include specific questions regarding child and forced labour. This phased approach will begin with the largest suppliers and will continue across the full supply chain within a reasonable time period. For each questionnaire submitted, Baffinland will collect responses in a centralized system, to understand how the risk of child labour or forced labour affects suppliers.
3. **Supplier visits:** When performing onsite supplier visits, Baffinland will review an onsite questionnaire, which will integrate questions related to forced labour and child labour during which suppliers will be interviewed using a standardized questionnaire. Baffinland will keep all questionnaires in a centralized workplace where responses can be updated for each visit. Baffinland will track responses to understand what suppliers are doing to mitigate the risks of child labour and forced labour.
4. **Supplier performance reviews:** Key suppliers of Baffinland are reviewed on an annual basis to ensure compliance with contract terms and conditions. These reviews can serve as an opportunity to review findings from site visits and supplier questionnaires. Record keeping for frequency of reviews and date of last review will be kept on a centralized database to ensure these reviews are being performed.

Steps Taken to Prevent & Reduce Risk of Child Labour or Forced Labour

Baffinland has taken the following steps to prevent and reduce the risk of forced labour and child labour:

1. Conducted training related to forced and child labour in the supply chain to ensure a comprehensive understanding and adherence to ethical labour standards across the organization.
2. Developed a Policy in relation to the prevention of forced and child labour in the supply chain to demonstrate commitment to upholding human rights and ensuring that our supply chains are free from forced labour and child labour.
3. Conducted an internal risk assessment of forced labour and/or child labour in the organization's activities and supply chains. Baffinland has identified goods and countries within the supply chain that have inherent risks of forced labour and/or child labour in this report.
4. Implemented reporting policies and procedures that create a culture where employees feel safe and capable of reporting instances of forced labour and/or child labour or any other form of suspected exploitation.
5. Addressed practices in our organization's activities and supply chains that increase the risk of forced labour and child labour.
6. Remediation efforts related to due diligence processes have been identified to reduce the risk of forced labour and/or child labour within the supply chain.
7. Developed due diligence policies and processes for identifying, addressing, and prohibiting the use of forced labour and/or child labour in the organization's activities and supply chains.
8. Implemented anti-forced labour and/or anti-child labour conditions by identifying the opportunity to integrate conditions within the Vendor Request Form and Supplier Agreements directly related to forced labour and child labour.
9. Baffinland uses supplier reviews and onsite visits for key suppliers to monitor supplier relationships. Both functions have been identified as opportunities to align reviews and onsite visits to verify whether suppliers are adhering to labour laws and regulations, specifically in relation to forced labour and child labour.
10. Enacted measures to provide for, or cooperate in, the remediation of forced labour and child labour. Mitigating activities have been identified to reduce the risk of forced labour and child labour within supply chains.

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 or entities 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.

Celeste van Tonder



Full Name

Signature

Chief Financial Officer

2026/05/26

Title

Date

I have the authority to bind Baffinland Iron Mines LP, and this report covers the financial year 2025 and applies to Baffinland Iron Mines LP and all entities considered reporting entities in terms of the Act and any controlling subsidiaries of Baffinland Iron Mines LP if they apply.