



**BALLARD™**

**2025**

Fighting Against Forced Labour and  
Child Labour in the Supply Chain Act

Financial Year Ended December 31, 2025  
Prepared May 25, 2026

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## Ballard Power Systems Inc.

# Fighting Against Forced Labour and Child Labour in Supply Chains Act Report For the Year Ended December 31, 2025

## 1. Introduction

This Modern Slavery Act Report (the "**Report**") has been prepared pursuant to Section 11 of the Fighting Against Forced Labour and Child Labour in Supply Chains Act, S.C. 2023, c.9 (the "**Act**"). This Report outlines the actions taken by Ballard Power Systems Inc. ("**Ballard**", the "**Company**", "**we**", "**us**", or "**our**") to prevent and reduce the risk that forced labour or child labour is used in the production of goods imported into or distributed within Canada for the financial year ended December 31, 2025.

This Report has been prepared by the management of Ballard and approved by Ballard's Board of Directors.

Ballard is a public corporation (NASDAQ: BLDP; TSX: BLDP) listed on the Nasdaq Stock Market ("**NASDAQ**") and on the Toronto Stock Exchange ("**TSX**"). Ballard does not currently have mandatory reporting obligations related to modern slavery in other jurisdictions and is not filing a joint report.

In March 2023, Ballard became a signatory to the United Nations Global Compact ("**UNGC**"), reflecting our commitment to align our strategy and business practices with the UNGC's Ten Principles relating to human rights, labour, environment, and anti-corruption. As part of this commitment, Ballard continues to engage with the UNGC and report on progress related to these principles.

## 2. Our Structure, Activities, and Supply Chain

### Business Structure

Ballard is engaged in the design, development, manufacture, sale, and servicing of Proton Exchange Membrane ("**PEM**") fuel cell products. These products are primarily used in heavy-duty motive markets including buses, trucks, rail, and marine, as well as material handling applications and stationary power generation.

Ballard's supply chain and procurement activities form part of its global operations function, which is overseen by the Senior Vice President and Chief Operating Officer. Human capital management and workforce oversight are led by the Senior Vice President and Chief Experience Officer. The Board of Directors provides oversight of enterprise risks, including human rights-related risks, through its Nominating and Governance Committee ("**NGC**").

As of December 31, 2025, Ballard employed 444 individuals in Canada plus 48 employees in international locations.<sup>1</sup> The Company aims to uphold human rights across its operations and supply chains, and continues to review its policies, procedures, and supplier relationships to support ethical sourcing and compliance with Bill S-211.

### Operational Activities

Ballard's products include membrane electrode assemblies ("**MEAs**"), fuel cell stacks, and integrated fuel cell modules. These products rely on a global network of suppliers that provide components such as electronic boards, valves, catalysts, graphite sheets, connectors, and related hardware.

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<sup>1</sup>In line with Canadian common law, employees include people employed on a full-time, part-time, or temporary basis in Canada or in any other jurisdiction, and do not include independent contractors.

Ballard operates as a downstream company within a complex multi-tiered supply chain and generally does not procure raw materials directly. The primary direct raw materials used upstream in our supply chain include steel, plastics, and electronic modules. Indirect procurement activities include IT services, maintenance, software, office management, and professional consulting services.

Direct materials and services include items procured for the development, production, assembly, and sale of Ballard’s core fuel cell products. These procurement activities are centrally managed within the global operations function by a centralized procurement team, which oversees purchases made in Canada and with international suppliers.

Indirect materials and services, which support corporate functions such as information technology, finance and administration, and marketing are managed within each of Ballard’s individual functional groups and are coordinated with dedicated purchasing support. Further information on policies and procedures related to responsible sourcing and human rights due diligence can be found in [section 3](#) of this Report.

Ballard continues to work toward identifying and addressing risks of forced and child labour within its supply chains and is taking steps to improve supplier engagement and oversight practices.

## Our Supply Chain

Our supply chain flow, displayed in figure 1, consists of three primary segments supporting the procurement of direct or indirect materials, services, or employment.

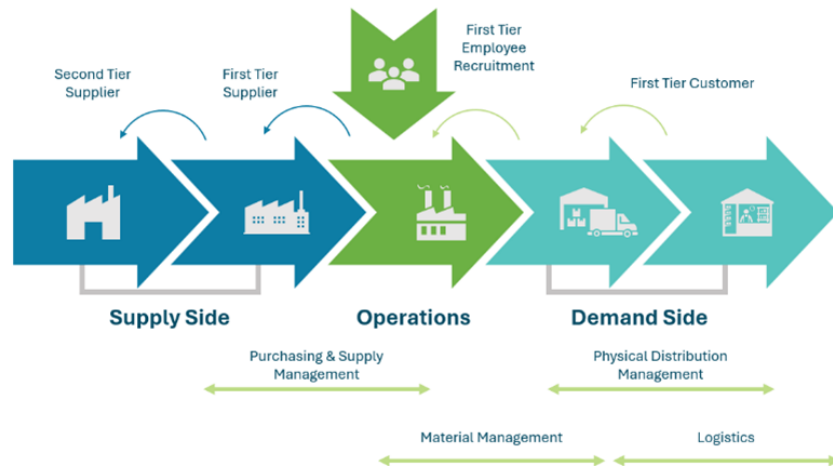


Figure 1: Ballard's Supply Chain Flow

- **Supply side** – referring to procurement from the various tiers of suppliers providing materials or services for the production of our products.
- **Operations** – referring to procurement and recruitment for activities which take place within our facilities, including both materials and human resources; and
- **Demand side** – referring to procurement related to the distribution of our products to customers.

During 2025, Ballard’s supply base for direct materials and services included an estimated 876 active and approved suppliers providing a range of goods and services located in the following regions:

Region	# of Suppliers	% of Total Spend
Canada	419	35%
Europe	116	24%
Asia	50	13%
USA	291	29%

### 3. Our Policies and Due Diligence Processes

#### Policies and Processes Supporting the Operations Segment

Ballard maintains policies and procedures intended to support ethical business conduct, human rights protection, and compliance with applicable laws and regulations. These policies apply to employees, contractors, suppliers, and third parties acting on behalf of the Company.<sup>2</sup> These policies and systems include:

**Code of Ethics and Workplace Guidelines** – comprehensive guideline for all employees to demonstrate exemplary behaviours and commit to the highest ethical standards, sound governance practices, and business and personal integrity. These guidelines outline the importance and expectation that all actions by Ballard and its employees, officers, and directors will comply with the human rights and civil liberties set out in the Universal Declaration of Human Rights ("UDHR"). A copy of our Code of Ethics can be found on our website at [ballard.com/investor-hub/](http://ballard.com/investor-hub/).

**Corporate Watch Policy (Whistleblower Protection)** – Ballard employees must conduct all business activities in a way that is consistent with the Company’s standards of business conduct. Unethical and unlawful behaviour is wrong and can damage the company. This policy establishes guidelines and procedures for assuring protections for employees and to identify and report misconduct that may be in breach of company policies, and/or cause harm to Ballard and its employees, suppliers and customers. We advise staff that they have a responsibility to report and detect on any concerns including those related to forced labour and child labour.

**Corporate Watch Hotline (Ethics Hotline)** - Ballard has adopted a reporting system to receive any anonymous reports or allegations of wrongdoing. Individuals, including our employees and those outside our company, who become aware of wrongdoing or suspected wrongdoing are encouraged to make a report as soon as possible. Our third-party web reporting site and toll-free numbers can be found on our website at [ballard.com/investor-hub/](http://ballard.com/investor-hub/).

**Commitment and Expenditure Policy** – This policy describes expectations on the management of corporate commitments and expenditures and applies to every member of the Ballard group of companies. It provides overriding guidance with respect to approval requirements for the procurement of goods and services, labour and contractors, expense reports, capital expenditures, revenue contracts, and other general contract commitments. This policy is also integral to the successful stewardship of Ballard’s assets and is designed to ensure accountability and protect Ballard from inappropriate commitments or expenditures.

**Anti-Corruption Policy** - Ballard requires compliance with the highest ethical standards and all anti-corruption laws applicable to the conduct of its business. Ballard values integrity and transparency and has zero tolerance for corrupt activities of any kind, whether committed by Ballard employees or by third parties acting for and on behalf of Ballard. This policy forms the cornerstone of how we conduct business and work together to achieve these goals. A copy of our Anti-Corruption Policy can be found on our website at [ballard.com/investor-hub/](http://ballard.com/investor-hub/).

**Harassment, Workplace Bullying & Anti-discrimination Policy** - This policy aims to reinforce a workplace environment in which everyone is treated equitably, fairly, and with respect. All employees are expected to conduct business in a legal, ethical, and credible manner. In addition, there are certain attributes which are expected of each Ballard employee and guide how we achieve our work. Above all, maintaining a high level of respect and dignity in the workplace and creating

<sup>2</sup> Where no link has been provided, such policies and procedures are made available to the Company’s employees on an internal intranet site.

an environment where everyone can contribute to their fullest potential is, and will continue to be, a key ingredient to the success of Ballard. A copy of our policy can be found on our website at [ballard.com/investor-hub/](http://ballard.com/investor-hub/).

**Health and Safety Policy** - This policy aims to protect the well-being of employees, contractors, visitors, and the communities in which the company operates. To ensure a safe and healthy work environment by continuously improving safety systems, integrating health and safety into the company culture, and promoting personal accountability. It emphasizes hazard prevention, risk reduction, compliance with legal requirements, and ongoing employee engagement and training. A copy of our policy can be found on our website at [ballard.com/investor-hub/](http://ballard.com/investor-hub/).

**Purchasing Policy** - This document outlines the Company's policy and applies to all Ballard employees when ordering, receiving and paying for goods and services from a supplier. This policy is intended to ensure that adequate internal controls exist for the processing and payment of procured goods and services, that items are received within specific time constraints, optimal terms are negotiated with the supplier, and suppliers are paid within agreed terms.

### **Policies and Processes Supporting Employee Recruitment**

Ballard also maintains recruitment procedures requiring verification of identity, legal authorization to work, and, where appropriate, background checks for employees. These include:

**Employee Identification, Criminal, and Background Check Procedure** – All employees hired at Ballard are required to provide evidence of their identity, age, and legal status to work in Canada, all in compliance with appropriate privacy laws, regardless of permanent or temporary status. In some cases, as defined in our procedure, employees may be subject to a criminal or background check as part of the hiring process. These processes are in place to help identify any red flags and mitigate the risk of forced or child labour in our recruitment process.

### **Policies and Processes Supporting Supply and Demand Segments**

To support responsible sourcing, Ballard has established supplier-focused due diligence processes, including:

**Supplier Manual** – Our supplier manual is intended to be the primary document that communicates Ballard's Supplier Development, Supply Chain and Quality philosophy to our Suppliers and helps align their business objectives with ours. It describes our due diligence expectations and Ballard's method of evaluating, approving, and monitoring suppliers. This includes second party audits, document reviews, and ongoing supplier development to reduce risk. A copy of our supplier manual can be found on our website at [ballard.com/suppliers/](http://ballard.com/suppliers/).

**Supplier Conduct Principles** – In addition to the contractual expectations outlined in our supplier manual, a supplier is also required to comply with the conduct requirements outlined in our Supplier Conduct Principles document. This includes areas of health and safety, respect and dignity, forced or involuntary labour, child labour, labour practices, protection of the environment, compliance to conflict minerals extraction declaration, compliance with laws and regulations, and maintaining highest ethical business practices. A copy of our supplier conduct principles can be found on our website at [ballard.com/suppliers/](http://ballard.com/suppliers/).

**Declaration of Compliance with Ballard Supplier Conduct Principles (Annual Attestation)** – As part of our supply chain due diligence process, on an annual basis all direct suppliers are requested to sign a Declaration of Compliance with Ballard's Supplier Conduct Principles. The supplier is attesting they have read and understood the Supplier Conduct Principles policy document, will make note of their compliance with each of the 12 principles, and that supporting evidence is available to support their responses. A copy of the declaration of compliance can be found on our website at [ballard.com/suppliers/](http://ballard.com/suppliers/).

**Conflict Minerals Policy and Due Diligence** – This policy and connected procedure was established to ensure Ballard is taking all reasonable steps to avoid purchasing and using conflict minerals, as defined by the United States legislation, in its manufactured products. Conflict minerals include the metals tantalum, tin, tungsten and gold, which are the extracts of the minerals cassiterite, columbite-tantalite and wolframite, respectively. Conflict minerals extracted from the Democratic Republic of Congo and surrounding regions are considered high-risk for forced labour and other human rights abuses. While Ballard does not directly source minerals from smelters, small quantities of these minerals can be found in our products and are procured through our tiered supply chain. To mitigate the risk of inadvertently supporting human rights abuses, Ballard has adopted a Conflict Minerals Due Diligence process including annual survey of our Tier 1 suppliers and public disclosure of our due diligence process and risk assessment, in line with Rule 13p-1 and Form SD pursuant to the Securities Exchange Act of 1934, as amended. A copy of our latest disclosure alongside our conflict minerals policy can be found on our website at [ballard.com/suppliers/](http://ballard.com/suppliers/).

**Standard Terms and Conditions** – All purchase orders issued by Ballard, unless otherwise stated, are subject to our standard global terms of purchase ("STC"). Included in our STC are conditions related to compliance with law and that no purchases shall be produced with forced labour. A copy of our standard terms of purchase can be found on our website at [ballard.com/suppliers/](http://ballard.com/suppliers/).

## 4. Forced Labour and Child Labour Risks

### Modern Slavery Risk in Our Operations

Ballard assesses the risk of forced labour and child labour within its direct operations as low, given the majority of operations are based in Canada where labour protections are well established. Ballard complies with all applicable employment legislation and maintains internal processes designed to support fair treatment, ethical recruitment, and lawful employment practices.

Canada has robust regulations governing labour practices, and Ballard complies fully with all applicable regulation and legislation. Our internal policies and procedures, as outlined above, strive to ensure ethical recruitment practices and fair treatment in workplace relations. We ensure that all employees are paid at least the legislated minimum wage, and we conduct individual remuneration reviews at least annually to assess fairness and compliance.

Ballard utilizes reputable and registered labour hire services to source employees for production roles in our manufacturing facilities. While we recognize that employees engaged in low-skilled or base-level labour, such as production workers, may be more vulnerable to exploitation, we mitigate these risks by partnering exclusively with reputable, regulated labour hire agencies in Canada.

### Modern Slavery Risk in Our Supply Chain

Ballard recognizes that risks may exist within its broader global supply chain due to geographic, industry, and upstream sourcing factors. To mitigate these risks, Ballard requires suppliers to comply with its Supplier Conduct Principles and maintains processes for supplier qualification, annual attestations, supplier audits, and ongoing supplier engagement. Ballard has implemented measures to monitor and manage these risks. Ballard's assessment of supply chain risk considers factors including supplier geography, industry sector, product category, and upstream sourcing exposure. Our approach includes the following key actions:

#### Supplier Code of Conduct:

Any supplier wishing to undergo the supplier approval process and conduct business with Ballard must read, understand, and formally attest to our Supplier Conduct Principles. These principles outline clear expectations regarding ethical business practices, including respect and dignity for employees, the prohibition of forced and child labour, adherence to fair working hours, fair wages and benefits, non-discrimination, and compliance with relevant legislation, including, without limitation, U.S. laws on conflict minerals. The Supplier Conduct Principles is one of two core

components of our Supplier Performance Criteria, alongside our Supplier Manual, and is formally incorporated into Ballard's STC and signed supplier agreements.

### **Annual Supplier Attestation:**

Ballard requires all active direct suppliers to reaffirm their commitment to the Supplier Conduct Principles through an annual formal attestation. A copy of our latest Supplier Conduct Principles document can be found on our website at [ballard.com/suppliers/](https://ballard.com/suppliers/).

### **Supplier Audits and Visits:**

Ballard's purchasing and operations teams regularly visit suppliers' facilities, both as part of the initial supplier qualification process and during ongoing supplier management and performance assessments. These visits are conducted to monitor compliance with our ethical standards, including labour and workplace expectations outlined in our Supplier Conduct Principles, and to assess the overall performance of our suppliers.

### **Conflict Minerals Due Diligence:**

To further mitigate the risk of supporting human rights abuse, Ballard has implemented a Conflict Minerals Due Diligence Process. This includes an annual survey of our Tier 1 suppliers and the public disclosure of our due diligence process and risk assessment, in accordance with Rule 13p-1 and Form SD pursuant to the Securities Exchange Act of 1934, as amended. We request that suppliers verify that they do not procure conflict minerals, or if they do, that these minerals are sourced from non-conflict areas or from smelters independently validated as conflict-free by a third party.

These measures reinforce Ballard's commitment to preventing human rights violations, ensuring ethical supply chains, and providing transparency and accountability across our operations.

### **Supply Chain Value Mapping**

In 2024, as part of Ballard's first double-materiality assessment, we developed a value-chain map to identify priority sustainability risk areas across our operations. This assessment also provided an opportunity to review the potential risks related to human rights within our Tier 1 supply chain and to evaluate risks, opportunities (quantitative) and impacts (qualitative), in order to better understand both financial and impact materiality.

## **5. Remediation Measures**

Ballard did not identify any confirmed incidents of forced labour or child labour within its operations or direct supply chain during FY2025 requiring remediation measures.

## **6. Training**

Ballard continues to provide annual anti-bribery and anti-corruption training to employees in identified higher-risk roles. During 2025, targeted employees completed required training with a high completion rate. Ballard continues to evaluate opportunities to expand employee awareness and training relating to human rights, responsible sourcing, and forced labour and child labour risks.

Ballard is also developing additional training related to human rights, forced labour, and child labour risks. Through participation in the United Nations Global Compact, employees have access to learning resources related to business and human rights, human rights due diligence, and sustainability practices.

## **7. Assessing Effectiveness**

During 2025, Ballard continued to execute its due diligence framework relating to human rights and responsible sourcing. While no standalone formal effectiveness assessment specific to forced labour or child labour was completed during the reporting year, Ballard continued monitoring the effectiveness of its due diligence processes through supplier attestations, employee reporting channels, and policy governance processes. Ballard intends to continue enhancing its responsible

sourcing and human rights due diligence processes, including ongoing evaluation of supplier engagement, training, and supply chain risk assessment practices.

## 8. Process of Consultation

This Report was prepared through a cross-functional consultation process involving members of Ballard's management team and Disclosure Committee. The Board of Directors reviewed and approved the final Report.

## 9. Approval and Attestation

Pursuant to section 11(4)(b)(i) of the Act, this Report was approved by the Board of Directors of Ballard on May 25, 2026.

*In my capacity as a Director of Ballard Power Systems Inc., and not in my personal capacity, I make this attestation pursuant to the requirements of the Act.*

*In accordance with the requirements of the Act, and in particular section 11(4)(a) thereof, I 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 reporting year listed above. I have authority to bind Ballard Power Systems Inc.*

**Full name:** Marty Neese  
**Title:** Board of Director, President and Chief Executive Officer  
Ballard Power Systems Inc.

**Date:** May 25, 2026

**Signature:** /s/ Marty Neese