



Upholding Weston Forest Group’s Commitment to Canada's Fight Against Forced Labour and Child Labour in Supply Chains Act

Published May 29, 2024

This report is prepared pursuant to Section 11(1) of the *Fighting Against Forced Labour and Child Labour in Supply Chains Act* (Canada) (the “Act”) for the fiscal year ended December 31, 2023.

All information provided in this Report pertains to Weston Forest Products Inc. as the entity required to report pursuant to Section 11(1) of the Act on behalf of its Canadian subsidiaries: Weston Forest Products Inc., Bramwood Forest Inc., Monterra Lumber Mills Ltd. and Kings Wood Products Inc., collectively referred to herein as “Weston Forest Group” or “the Company”). All information presented in this Report is current as of the date set forth above unless otherwise indicated.

Introduction:

Weston Forest Group is committed to continuous improvement in everything we do, with health and safety being our number one priority. We conduct our business with a high level of integrity, and we are committed to promoting and protecting human rights in all aspects of our business.

The above-mentioned entities hereby report to the Minister of Public Safety and Emergency Preparedness on the steps taken during the previous fiscal year ended December 31, 2023, to prevent and reduce the risk of forced labour and/or child labour being used within their supply chains.

In alignment with Canada's commitment to combat forced labour and child labour within global supply chains, Weston Forest Products Inc. and its entities (“Weston Forest Group” or “the Company”) has undertaken measures to ensure that the most ethical sourcing practices exist and continue to exist within our supply chain. This Report outlines the Company’s initiatives, policies and strategies implemented to identify potential risks within our business and supply chains to fulfil our obligations under the Act.

Summary of Weston Forest Group’s Structure and Supply Chain:

Weston Forest Products Inc.

Weston Forest is a leading distributor and manufacturer of softwood & hardwood lumber and specialty panel products, serving North America’s industrial and construction sectors.

Weston Forest’s manufacturing and inventory management services help customers create specified crating, packaging, pallets and boxes, and other niche wood products that are essential for the production or shipment of Industrial goods.

The company’s logistics and just-in-time fulfilment capabilities support truss manufacturing, framing, lagging & shoring, concrete forming and other processes that are crucial to commercial and residential construction and large infrastructure projects.



Weston Forest prides itself on its hundreds of longstanding employee, customer, and supplier relationships and that's reflected in the brand promise: YOU'LL LOVE DOING BUSINESS WITH US.

Oakwood Manufacturing (secondary location of Weston Forest Products Inc.)

Oakwood Manufacturing is a large, modern remanufacturing facility on 6 acres just west of Toronto in Oakville, ON. It has diverse lumber milling machinery and state-of-the-art panel processing equipment under 70,000 sf of covered space. It manufactures products for a wide range of industries, from industrial packaging to residential construction and home improvement projects.

Bramwood Forest Inc.

After more than 30 years in business, Bramwood Forest continues to strengthen its position as, "The Industrial Choice". Bramwood maintains its focus on servicing manufacturers and industries that require packaging and crating goods, as well as lagging products for multifamily residential construction and infrastructure.

Monterra Lumber Mills Ltd.

Monterra Lumber Mills is one of the most respected lumber manufacturers in Ontario. They produce a wide range of high-quality lumber products for home centres in Canada and the United States. They also make a diverse range of industrial products for the crating and packaging industry, and stakes and bridging for residential construction.

Kings Wood Products Inc.

Kings Wood Products has been in business since 1970, providing pallets, boxes, reels, and specialty packaging solutions, primarily for the manufacturing industry. Kings has built a solid reputation by doing everything in-house at their 8-acre facility in Paris, ON. From sourcing raw material to final delivery, everything is handled by the experienced team at Kings Wood Products.

Company Statement:

The Forced Labour and Child Labour in Supply Chains Act, passed by the Canadian government, underscores the imperative of corporate responsibility in addressing potential human rights violations within supply chains. Weston Forest Products Inc. and its entities (collectively "Weston Forest Group" or "the Company") is committed to operating with the highest level of integrity and ethical standards. This includes ensuring that our businesses respect human rights at every level – a commitment reflected in our Company Values and the work that we do every day. We work exclusively with qualified third parties who operate with an elevated level of ethics and integrity, consistent with ours.

As an organization that is committed to social responsibility, Weston Forest Group recognize the moral and legal obligation to identify and eliminate forced labour and child labour from our operations and supply chain networks. This report provides an overview of our initiatives aimed at complying with the Act and safeguarding the rights and dignity of workers throughout our business and its supply chain.

To meet this commitment, the Company continually monitors its structure, activities, and supply chains to identify, assess and reduce risks associated with forced labour and child labour. When an activity is found to have the potential for such risks, we are committed to taking measures to remediate the problem in a timely manner and when necessary, will assist with the recovery of loss of income for individuals affected by the elimination of forced labour or child labour, as applicable.

The Company meets and will continue to meet all legislative requirements related to reporting any parts of our supply chains that carry risks of forced labour and child labour being used, and the steps we have taken to prevent and reduce such risks if/when they are identified. Establishing supply chains free from forced labour and child labour is a shared effort, and we are committed to working with the necessary parties to make it a reality.

Weston Forest Group's commitment to prevent the risk of forced and child labour applies to all of its facilities and entities, our business partners, and our supply chain network. We expect our business partners and suppliers (as well as their contractors, agents, subcontractors, sub-agents and labour agencies) to uphold these same principles within their operations and adhere to applicable human rights and employment standards laws.

Measures taken to prevent and reduce the risk of forced labour or child labour:

Weston Forest Group has taken steps to prevent and reduce the risk of forced labour or child labour being used at any step of the production of goods in Canada, or elsewhere, by the Companies and/or the goods imported into Canada by the Companies we partner with.

We have established compliance framework to ensure adherence to the Forced Labour and Child Labour in Supply Chains Act. This framework encompasses the following key components:

1. Policy and Training Development:

To further support our commitment to fighting against forced labour and child labour in supply chains, the Company has formulated a comprehensive **Fighting Forced Labour and Child Labour in Our Supply Chain Policy** and relevant **Fighting Forced Labour and Child Labour in Our Supply Chain Training** which explicitly prohibits the use of forced labour and child labour in any and all stages of our operation and supply chains. Review of this policy and completion of this training material is mandatory for all employees who interact with our supply chains and therefore may be exposed to instances of forced or child labour. The purpose of this policy and training is to inform our employees about the harm forced labour and child labour can cause, as well as provide the information and guidance necessary to determine whether forced labour or child labour is used, or at risk of being used, at any point within our supply chain. This policy and training material will be reviewed and administered to all relevant parties on an annual basis to ensure full compliance.

2. Due Diligence Procedures:

The Company has implemented due diligence procedures to assess and mitigate the risk of forced labour and child labour within our supply chains. This includes conducting risk assessments, supplier audits, and regular monitoring of labour practices.

As part of its standard recruitment and hiring process, the Company conducts background checks and verifies identification for all prospective employees and maintains these records in its confidential employee files in accordance with applicable law.

3. Transparency and Reporting:

Transparency is integral to our commitment to combating forced labour and child labour. We are committed to disclosing information regarding our supply chain practices, including efforts to address labour rights violations through public reports and both internal and external communication channels.

4. Supplier Engagement:

The Company has a Supplier Code of Conduct which outlines our expectations for suppliers regarding compliance, ethical practices, and social responsibility. It's purpose is to establish and maintain ethical standards and compliance throughout our supply chain. Together, we work towards fostering a culture of respect for human rights and labour standards within our supply chain.

4.1 Supplier Code of Conduct and Expectations:

Our Supplier Code of Conduct outlines our expectations regarding labour rights, environmental responsibility, and ethical business practices. Suppliers are required to adhere to these standards as a condition of doing business with us. By entering into standard terms and conditions or other contractual agreements with Weston Forest Group, Suppliers accept the terms of the Supplier Code and affirm compliance with its requirements. The Company's Supplier Code sets minimum expectations and guidelines for Suppliers and obligates them to comply with applicable laws, including those regulations related to forced and child labour. It focuses on worker rights and protections, with a particular emphasis on prohibiting child, forced, and trafficked labour, as well as any discrimination, intimidation, abuse, harassment, or violence against these workers. Furthermore, the Supplier Code also requires that a grievance mechanism or complaint procedure exists to allow workers to report workplace concerns. Weston Forest Group's Supplier Code of Conduct is to be reviewed annually updated as necessary by our Human Resources department.

5. Collaborative Partnerships:

We are committed to collaborating with industry peers, non-governmental organizations, and government agencies to share best practices, leverage resources, and advocate for stronger regulatory frameworks to address forced labour and child labour.

6. Continuous Improvement:

We are committed to continuously reviewing and when necessary, improving our supply chain practices through ongoing monitoring, evaluation, and feedback mechanisms. This iterative approach allows us to identify any areas in need of enhancement and drive meaningful change within our operations and beyond.

7. Risk Assessment:

Over 99% of the Weston Forest Group supply chain is North American in origin, with the majority being medium-to-large sized Canadian or US-based companies with largely unionized labour forces. There is a fraction of a percent of import product we bring in from South America, all of which is from large companies with a large union labour component as well. Our Asian import volumes are negligible. Additionally, more than 50% of our supply base is from FSC or SFI Certified forests, indicating that the companies take social responsibility very seriously, consistent with the way we run our business. The Company performs due diligence on its prospective supplier partners to

evaluate their ethics and credibility. Although the Company has identified this portion of its supply chain as carrying the greatest risk of forced labour and child labour, overall, we believe that this risk is effectively mitigated.

8. Remediation Measures:

The Company did not discover nor was made aware of any instances of forced labour or child labour in its operations and supply chains during 2023 and, consequently, no remediation measures were required.

Conclusion:

In conclusion, Weston Forest Group remains steadfast in its commitment to upholding the principles outlined in the Forced Labour and Child Labour in Supply Chains Act. Through a combination of compliance measures, proactive initiatives, and collaborative partnerships, we are dedicated to eliminating forced labour and child labour from our supply chains and contributing to a more just and sustainable global economy. As we continue this journey, the Company reaffirms its commitment to respecting human rights, promoting dignity in the workplace, and creating a positive social impact in the communities we serve. The Company will continue to review and update its policies, procedures and processes to ensure that our employees are empowered to identify and report any suspected instances of forced labour and child labour in our supply chains.

Approval and 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 entities listed above (collectively Weston Forest Group):

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.

I have the authority to bind all of the entities listed above as part of Weston Forest Group.

Steve Rhone
President & CEO, Weston Forest Products Inc.