

May 31, 2024

Fighting Against Forced Labour and Child Labour in Supply Chains Act – Report to Government

Attention: Minister of Public Safety and Emergency Preparedness

Consistent with section 11 of the *Fighting Against Forced Labour and Child Labour in Supply Chains Act* (the Act), Metrie Canada Ltd. is submitting our Annual Report, below.

Respectfully,



Robert Mast
Director of Procurement, Compliance Manager
3500-1055 Dunsmuir Street
Vancouver, British Columbia
V7X 1H3

Annual Report for Fiscal 2023

Consistent with section 11) 3) of the Act, the following information is provided as it relates Metrie:

a) Structure, Activities and Supply Chains

- Metrie consists of two business units; Metrie Canada Ltd. (Canadian portion of the business) and Metrie Inc. (US portion of the business). Collectively, Metrie manufactures solid wood and composite mouldings, which are then sold wholesale. Our raw materials, finished and partially finished goods, are sourced domestically and imported.

We also purchase (domestic and import) and distribute mouldings, interior doors, panels and sheet goods for wholesale.

b) Policies, Due Diligence Processes in Relation to Forced Labour and Child Labour

- Metrie maintains a Supply Chain Management System (SMS), including a Due Diligence System (DDS) to support our business, with a focus on compliance, good business practices (social license) and to support our voluntary third-party certifications.
- A key pillar of our SMS is our Fibre Procurement Policy, which commits to meeting applicable legislation domestically and internationally as it relates to our wood procurement activities.
- Within our SMS, we also maintain a policy commitment related to International Labour Organization core labour requirements, including avoiding the use child labour and eliminating all forms of forced and compulsory labour.
- Prior to on-boarding any new supplier, we collect basic information related to their business, products being offered for sale, as well as information such source area and supply chain details. Through this process we provide clear information on the requirements related to the Act, our corporate expectations and require a sign-off of compliance by the supplier.
- Suppliers are risk assessed at the time of on-boarding and annually thereafter. Where a new supplier is ranked above low-risk, we complete an additional country-specific vetting process.
- We carry out on-site supply chain audits for a sample of our supply chains, annually. Compliance with the Act is a dedicated review item in these audits.
- We complete internal audits of our business units annually in keeping with our third-party certifications, which includes a component related to labour practices, including child labour. A sample of our business units is also externally audited by our accredited certification bodies, consistent with the same criteria related to labour practices and child labour.
- We complete internal management reviews annually, including an SMS senior management review to provide feedback on the business and the implementation of the SMS. A key item in the SMS senior management reviews are the results of the supply chain audits.
- We employ external subject matter experts to assist in the development and implementation of our SMS and DDS, to ensure it is robust, impartial, thorough, and well informed.
- In 2024, an information letter, specific to the Act, was sent to all of our suppliers to ensure they are aware of the requirements and to clearly state that we strictly prohibit child or forced labour.

c) Parts of the Business and Supply Chains that Carry a Risk of Forced Labour or Child Labour Being Used and Steps Taken to Assess and Manage the Risk

- The risk of child or forced labour is elevated where we import raw, finished and semi-finished goods from outside of Canada and the United States.
- We mitigate the elevated risk through implementation of our SMS, including supplier information gathering, risk assessment, vetting and supply chain audits, as described in section b), above.

d) Measures Taken to Remediate Any Forced Labour or Child Labour

- To date, we have had no instances of child or forced labour in our business or supply chain.
- Where an instance of potential non-compliance with the Act was identified, our process would be to review internally and with the supplier. Where non-compliance could not be rectified in a timely manner, our process would be to “freeze” all orders, pending or in transit, until the issue could be resolved. By design, we do not simply “stop using suppliers with identified issues”, as this does not address or correct the problem.
Prior to resuming business with a supplier/ supply chain with identified non-compliance would require a follow-up audit to validate and verify corrective actions. Further, the supplier/ supply chain would be flagged for increased monitoring in future.

e) Measures Taken to Remediate the Loss of Income to the Most Vulnerable Families That Results from any Measure Taken to Eliminate the Use of Forced Labour or Child Labour in our Activities and Supply Chains

- To date, we have had no instances of child or forced labour, and so have not had to address any loss of incomes to vulnerable families.
- As detailed in section d) above, should any non-compliance with the Act be identified, our focus is on working with the supplier to correct the issue, not simply avoid the supplier. The purpose of working with the supplier is to correct the issue.

f) Training Provided to Employees on Forced Labour and Child Labour

- We provide SMS training to all key staff in the business, with a focus on procurement staff. The requirements of our SMS and DDS are a key focus of our training.
- We provide re-fresher training to Procurement staff, at least every three years, typically more often.
- Training specific to the Act was provided to Senior Management as well as Procurement staff.
- Additional training and support is available to all staff, to ensure sufficient resources are available to ensure compliance to the Act as well as our SMS.

g) Assessing Effectiveness in Ensuring that Forced Labour and Child Labour are not Being used in the Business and Supply Chains

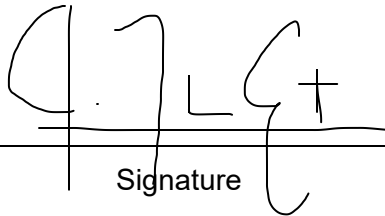
- We review the efficacy of compliance with the Act, as well as our SMS through internal audits of our business units annually in keeping with our third-party certifications. A sample of our business units is also externally audited by our accredited certification body, consistent with the same criteria related labour practices and child labour.
- We complete internal management reviews annually, including an SMS senior management review to provide feedback on the business and the implementation of the SMS. A key topic in the SMS senior management reviews are the results of the supply chain audits.

Annual Report Approval and Attestation

In accordance with section 4) b) ii) of the Act, this report has been reviewed and approved. Further, consistent with section 5) 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 indicated.

I have the authority to bind Metrie Canada Ltd. and Metrie, Inc.

Tom Eaton
Vice President, Supply Chain



Signature

May 31, 2024

Date