

46070 Knight Road Chilliwack, BC V2R 1B7 Telephone: 604-858-8188 Toll Free: 1-800-220-7881 Fax: 604-858-8137 www.canexbuilding.com

Canex Building Supplies Ltd.

Report on Measures to Prevent and Reduce the Risk of Forced and Child Labour in Supply Chains

I. INTRODUCTION

This is the first report of Canex Building Supplies Ltd. ("Canex") under the *Fighting Against Force Labour and Child Labour in Supply Chains Act* (the "Act"). This report sets out the information required by Act.

II. CANEX STRUCTURE, ACTIVITIES AND SUPPLY CHAIN

a. Structure and Activities

Canex is a leading supplier of building materials, building supplies, manufactured components, and industry-leading services for single- and multi-family residences, commercial and industrial buildings, and the agricultural industry. At Canex, our mission is to be the preferred supplier for builders and contractors in the Fraser Valley, the Lower Mainland and beyond. We service a diverse customer base including farmers, renovators and retail customers.

Canex is a headquartered in Chilliwack, British Columbia. Canex has locations at the following address 45788 Knight Road, Chilliwack, British Columbia, V2R4E7.

As of December 31, 2023, Canex has over 100 employees in Canada.

Canex sells various products including lumber, plywood, tools and hardware, doors and windows, and various goods for interiors (mouldings, drywall, and insulation) and exteriors (siding, roofing, and decking) as well as landscaping and masonry (bricks and blocks, landscaping supply, stone veneers, concrete and accessories and hardscapes). In addition to the sale of goods we offer various services. This includes delivery, custom cutting, staining, and treating services, and engineered wood design. The full details of our product and service offerings are available on our website, which is available here: https://www.canexbuilding.com/

b. Supply Chain

Most of our goods are sourced from various suppliers in British Columbia for our building materials for resale. Our suppliers are from Canada but may obtain the raw materials for their



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goods from other countries. A portion of our lumber purchases are made from the United States from sawmills, often purchased through a lumber broker.

III. POLICIES AND PROCEDURES IN RELATION TO FORCED AND CHILD LABOUR

Canex has a number of internal policies and practices in place for our employees, including our Code of Conduct, which sets out the ethical business conduct principles with which all our employees must comply. The Code of Conduct must be followed by all staff. Other relevant policies we have adopted include policies on Health and Safety, Workplace Violence Prevention, among others.

IV. RISK ASSESSMENT, MANAGEMENT AND MITIGATION

Canex recognizes that its supply chains may have a risk of forced labour and child labour. For the activities conducted at our locations we don't see any risk, where risk could exist is with our suppliers. Over the course of 2024, we intend to reach out to our suppliers to receive confirmation from about their activities and supply chain, as well as obtain their policies.

V. EFFECTIVENESS OF OUR ACTION

With respect to reporting on the effectiveness of their actions, we conduct annual reviews with all our employees and part of these reviews are to assess and communicate if the employee adheres to our company values.

VI. REMEDIATION MEASURES

We have not identified any incidents of forced or child labour in our supply chains. As such, we have taken no remediation measures. We are committed to taking appropriate remediation measures and assisting vulnerable persons to the extent we become aware of any instances of forced or child labour.

VII. TRAINING

Canex provides training sessions for all new employees, which include onboarding and familiarization with key policies and practices. We conduct staff training on safety, violence and harassment training as well as on our core values and mission. Employees are required to review the employee manual and sign an acknowledgement that they understand the policies. We intend to implement training in relation to forced and child labour in due course.



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APPROVAL & ATTESTATION

In accordance with the requirements of Canada's *Fighting Against Forced Labour and Child Labour in Supply Chains Act*, and in particular section 11 thereof, I attest that I have reviewed the information contained in the report for Canex Building Supplies Ltd. I attest that the report has been approved by the board of directors and that, based on my knowledge and having exercised reasonable diligence, 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.

Signature:

Name:

Bruce Van Den Brink

Title:

Director

Date:

May 28th, 2024

I have the authority to bind Canex Building Supplies Ltd.