

S-211 Annual Report – Exclusive Floors Ltd.

Identifying Information

1. Entity
2. Exclusive Floors Ltd.
3. 2023 (December 31, 2023)
4. No
5. BN 101714145
6. Yes
 1. Exclusive Floors Ltd., Exclusive Floors (Coquitlam) Ltd., Town & Country Floor Design Inc.
 2. BN 101714145, 726643711, 137950184
7. No
8. Meets size-related thresholds
 1. Has at least \$20 million in assets for at least one of its two most recent financial years
 2. Has generated at least \$40 million in revenue for at least one of its two most recent financial years
9. Retail trade
10. Canada
 1. British Columbia
11. NA

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Annual Report

1. What steps has the entity taken in the previous financial year to prevent and reduce the risk that forced labour or child labour is used at any step of the production of goods in Canada or elsewhere by the entity or of goods imported into Canada by the entity? Select all that apply.
 - a. Conducting an internal assessment of risks of forced labour and/or child labour in the organization's activities and supply chains
 - b. Addressing practices in the organization's activities and supply chains that increase the risk of forced labour and/or child labour
 - c. Requiring suppliers to have in place policies and procedures for identifying and prohibiting the use of forced labour and/or child labour in their activities and supply chains
 - d. Auditing suppliers
 - e. Monitoring suppliers
 - f. Developing and implementing grievance mechanisms
 - g. Developing and implementing training and awareness materials on forced labour and/or child labour
 - h. Developing and implementing procedures to track performance in addressing forced labour and/or child labour
 - i. Engaging with supply chain partners on the issue of addressing forced labour and/or child labour
2. SEE POLICIES
3. Corporation
4. Selling goods in Canada
5. SEE POLICIES
6. Does the entity currently have policies and due diligence processes in place related to forced labour and/or child labour? (Required)
 - a. Yes
 - i. If yes, which of the following elements of the due diligence process has the entity implemented in relation to forced labour and/or child labour? Select all that apply. (Required)
 1. Embedding responsible business conduct into policies and management systems
 2. Identifying and assessing adverse impacts in operations, supply chains and business relationships
 3. Ceasing, preventing or mitigating adverse impacts
 4. Tracking implementation and results
 5. Communicating how impacts are addressed
 6. Providing for or cooperating in remediation when appropriate
7. SEE POLICIES
8. Has the entity identified parts of its activities and supply chains that carry a risk of forced labour or child labour being used? (Required)
 - a. Yes, we have started the process of identifying risks, but there are still gaps in our assessments.

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- i. If yes, has the entity identified forced labour or child labour risks related to any of the following aspects of its activities and supply chains? Select all that apply. (Required)
 1. The sector or industry it operates in
 2. The types of products it produces, purchases or distributes
 3. The locations of its activities, operations or factories
 4. The types of products it sources
 5. The raw materials or commodities used in its supply chains
 6. Tier one (direct) suppliers
 7. Suppliers further down the supply chain than tier three
 8. The use of outsourced, contracted or subcontracted labour
 9. The use of migrant labour
 10. The use of forced labour
 11. The use of child labour
9. Has the entity identified forced labour or child labour risks in its activities and supply chains related to any of the following sectors and industries? Select all that apply. (Required)
 - a. Retail trade
10. SEE POLICIES
11. Has the entity taken any measures to remediate any forced labour or child labour in its activities and supply chains? (Required)
 - a. Not applicable, we have not identified any forced labour or child labour in our activities and supply chains.
12. SEE POLICIES
13. Has the entity taken any measures 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 its activities and supply chains? (Required)
 - a. Not applicable, we have not identified any loss of income to vulnerable families resulting from measures taken to eliminate the use of forced labour or child labour in our activities and supply chains.
14. SEE POLICIES
15. Does the entity currently provide training to employees on forced labour and/or child labour? (Required)
 - a. Yes
 - i. If yes, is the training mandatory? (Required)
 1. No, the training is voluntary.
16. SEE POLICIES
17. Does the entity currently have policies and procedures in place to assess its effectiveness in ensuring that forced labour and child labour are not being used in its activities and supply chains? (Required)
 - a. Yes
 - b. If yes, what method does the entity use to assess its effectiveness? Select all that apply. (Required)
 - i. Setting up a regular review or audit of the organization's policies and procedures related to forced labour and child labour

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- ii. Tracking relevant performance indicators, such as levels of employee awareness, numbers of cases reported and solved through grievance mechanisms and numbers of contracts with anti-forced labour and -child labour clauses
- iii. Working with suppliers to measure the effectiveness of their actions to address forced labour and child labour, including by tracking relevant performance indicators

18. SEE POLICIES

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.



Matthew Lewis, Director

May 31, 2024

I have the authority to bind Exclusive Floors Ltd.



Exclusive Floors S-211 Report (FY2023)

Introduction

On January 1, 2024, the new **Fighting Against Forced Labour and Child Labour in Supply Chains Act** came into effect in Canada. [This legislation aims to drive businesses to improve practices by requiring certain government and private-sector entities to report on the measures they take to prevent and reduce the risk of forced labor or child labor within their supply chains¹.](#)

Exclusive Floors' Commitment

At Exclusive Floors, we take our responsibility seriously in promoting sustainable business and labor practices. We remain committed to ethical, social, and environmental practices within our industry. Our corporate policies and due diligence efforts are designed to reduce the risk of forced labor and child labor in our supply chains.

Reporting Obligations

1. **Annual Report Submission:**
 - Exclusive Floors will submit this annual report to the Minister of Public Safety by **May 31, 2024**.
 - The report will also be posted on our website for transparency.
2. **Risk Assessment and Due Diligence Measures:**
 - We conducted a thorough risk assessment across our supply chain.
 - Due diligence measures include:
 - **Supplier Audits:** Regular audits to assess compliance with labor standards.
 - **Supplier Training:** Educating suppliers on ethical practices.
 - **Traceability:** Ensuring transparency from raw material sourcing to distribution.

Compliance with Bill S-211

Exclusive Floors is in compliance with the Act. We have taken the following steps:

1. **Product Sourcing:**
 - We verify that our flooring products are sourced from suppliers who adhere to ethical labor practices.
 - Our suppliers sign agreements confirming their commitment to fair labor standards.
2. **Employee Training:**



- All Exclusive Floors employees receive training on recognizing and reporting potential labor violations.
 - We emphasize the importance of ethical behavior and compliance.
- 3. Collaboration with Authorities:**
- We cooperate fully with authorized personnel designated by the Minister of Public Safety.
 - Our premises are open for inspections related to supply chain practices.

Conclusion

Exclusive Floors remains dedicated to promoting ethical supply chain practices. We will continue to monitor and improve our efforts to combat forced labor and child labor.



Exclusive Floors S-211 Due Diligence Policy

Purpose

At Exclusive Floors, we are committed to ensuring ethical and sustainable practices throughout our supply chain. This policy outlines our due diligence efforts to prevent forced labor and child labor in accordance with Bill S-211.

Scope

This policy applies to all aspects of our business operations, including procurement, manufacturing, distribution, and vendor relationships.

Key Principles

- 1. Risk Assessment and Mapping:**
 - We will conduct a comprehensive risk assessment to identify potential risks related to forced labor and child labor.
 - Our supply chain mapping will help us understand the origin of raw materials and components.
- 2. Supplier Engagement:**
 - We will engage with our suppliers to communicate our expectations regarding labor practices.
 - Suppliers will be required to adhere to our Supplier Code of Conduct, which explicitly prohibits forced labor and child labor.
- 3. Due Diligence Process:**
 - We will implement due diligence processes to assess and mitigate risks.
 - This includes regular audits, site visits, and third-party assessments.
 - Any identified risks will be addressed promptly.
- 4. Transparency and Reporting:**
 - Exclusive Floors will maintain transparency by disclosing our due diligence efforts.
 - We will report annually on our actions to prevent forced labor and child labor.
 - Reports will be made available to stakeholders and the public.
- 5. Capacity Building:**
 - We will collaborate with suppliers to build their capacity in responsible labor practices.
 - Training programs will focus on awareness, compliance, and continuous improvement.



6. Remediation:

- In case of violations, we will work closely with suppliers to remediate issues.
- Our goal is to ensure corrective actions are taken promptly.

Implementation

- The Chief Sustainability Officer (CSO) will oversee the implementation of this policy.
- All employees, contractors, and suppliers are expected to comply with this policy.

Review and Updates

- We will review and update this policy periodically to align with legal requirements and industry best practices.



EXCLUSIVE FLOORS S-211 Policy

Introduction

At Exclusive Floors, we are committed to ethical business practices and ensuring that our supply chain is free from forced labor and child labor. This policy outlines our approach to compliance with the **Fighting Against Forced Labour and Child Labour in Supply Chains Act (Bill S-211)**.

Reporting Obligations

1. Annual Report:

- Exclusive Floors will prepare an annual report detailing our efforts to address exploitative practices in our supply chain.
- This report will be submitted to the relevant authorities in accordance with the Act.

2. Risk Assessment:

- We will conduct a thorough risk assessment to identify areas within our supply chain where forced labor or child labor may be present.
- The assessment will cover all stages of our supply chain, from raw material sourcing to finished product distribution.

3. Due Diligence Measures:

- Exclusive Floors will implement due diligence measures to prevent and mitigate risks related to forced labor and child labor.
- These measures include:
 - **Supplier Audits:** Regular audits of our suppliers to assess compliance with labor standards.
 - **Supplier Training:** Educating our suppliers on the importance of ethical practices.
 - **Traceability:** Ensuring transparency and traceability throughout the supply chain.

Ministerial Powers

1. Cooperation with Authorities:

- Exclusive Floors will fully cooperate with any authorized personnel designated by the Minister of Public Safety and Emergency Preparedness.
- Authorized personnel may enter our premises to examine documents and computer systems related to our supply chain.

2. Non-Compliance Consequences:

- Failure to comply with reporting obligations or cooperate with authorized personnel may result in penalties or enforcement actions.



Examples of Entities Subject to the Act

1. **Flooring Retailers with Assets in Canada:**
 - Exclusive Floors falls under the Act if we have assets in Canada, even if our headquarters are located elsewhere.
 - Our warehouses, offices, or other assets within Canadian territory make us subject to the reporting requirements.
2. **Indirect Control Over Franchisees:**
 - If Exclusive Floors exercises “indirect control” over the supply chains of our franchisees, we must address labor standards within those supply chains.

Sample Report

Our annual report will include the following information:

1. **Overview:** A summary of our efforts to combat forced labor and child labor.
2. **Risk Assessment Findings:** Details of identified risks and mitigation strategies.
3. **Supplier Engagement:** Information on supplier audits, training, and traceability efforts.
4. **Collaboration with Authorities:** Evidence of cooperation with authorized personnel.