



**2023**

**Report**

# **Fighting Against Forced Labour and Child Labour In Supply Chains**

## About this Report

This report constitutes the initial report prepared by GreenFirst (as defined below) pursuant to Canada's new *Fighting Against Forced Labour and Child Labour in Supply Chains Act* (the "**Act**").

This report is a joint report ("**Report**") made by GreenFirst Forest Products Inc. ("**GreenFirst**") on a consolidated basis, including the following subsidiaries: GreenFirst Forest Products (Ontario) Inc., GreenFirst Forest Products (QC) Inc., and Kap Paper Inc. (collectively with GreenFirst, the "**Company**") for the financial year ended December 31, 2023 (the "**Reporting Period**").

The Report will be published annually and reviewed each year as we enhance our processes and procedures in response to the Act.

## Our Business and Structure

GreenFirst has a few subsidiaries and is the sole parent company of the entities covered in this Report and is headquartered in Toronto, Ontario. The Company is a forest-first business, dedicated to sustainable forest management. Our business involves the manufacturing, selling, marketing and distributing of lumber and paper products. We are a team of approximately 1,100 employees.



## Our Supply Chain

For the Company, trees are the raw ingredient from which the products are derived. Our supply chain is simple and transparent. Public forest lands in northeastern Ontario are the source of inputs to the Company's softwood lumber sawmills and paper mill.



Local contractors from the communities where our facilities are located (Chapleau, Hearst, Kapuskasing, Cochrane), and Company personnel undertake all activities associated with timber harvesting and delivering forest products to company operations. The Company holds long-term forest licenses on public lands and all activity is subjected to provincial (Ministry of Natural Resources and Forestry) oversight and independent, third-party certification.

Renewal of the forest (tree growing, tree planting, site preparation and monitoring) is coordinated by Company personnel and undertaken by well-established suppliers operating across the forest sector in Canada. The transportation of forest products to customers to US and Canada is provided by major rail and trucking companies, based in northern Ontario.

Company procurement personnel are accountable for acquiring goods and services, including contractors to service, repair and maintain our facilities. We rely heavily on parts and service relationships across northeastern Ontario, including Sudbury, Timmins, North Bay and Sault Ste Marie.

## Policies and Due Diligence Processes to Prevent and Reduce Risk

The Company has taken the following steps to prevent and reduce risk that forced labour or child labour is used at any step of the production of goods in Canada or elsewhere by the Company or of goods imported into Canada by the Company: (i) Conducted an internal assessment of risks of forced labour and/or child labour in the Company's activities and supply chains; (ii) Conducted an external assessment of risks of forced labour and/or child labour in the organization's activities and supply chains; (iii) Gathered information on worker recruitment and maintaining internal controls to ensure that all workers are recruited voluntarily; (iv) Developed and implemented due diligence policies and processes for identifying, addressing and prohibiting the use of forced labour and/or child labour in the Company's activities and supply chains; and (v) Developed and implemented grievance mechanisms.

## Polices and Standards

The Company's Code of Conduct and Ethics Policy ("CCEB") applies to all of the entities listed in this Report and reinforce the Company's requirements and expectations for ensuring compliance with laws and regulations which govern the Company's business activities, foster a high standard of conduct which reflects positively on the Company and its employees, and foster a corporate culture which the integrity and dignity of each individual is upheld. Embedded within CCEB is the ability for any employee to contact our Confidence Line which is available 24 hours per day via phone or website. The Company encourages the reporting of any concerns, including forced labour or child labour, so they can be addressed appropriately. The CCEB will be reviewed to reiterate our position against the use of forced labour and child labour and contributes to ensuring no forced labour or child labour is used in our supply chain.

On a go forward basis, the Company plans to take the following steps regarding policies and

standards: (i) Implement a Supplier Code of Conduct; (ii) Develop and implement anti-forced labour and/or anti-child labour clauses to be added to all applicable third party agreements; (iii) Implement a process to assess risk according to supplier, country, and business sector; and (iv) Review publicly available information to determine supplier risk factors.

## Addressing and Mitigating Risks and Remediation Measures

At this time, the Company has not identified any forced labour or child labour in its activities or supply chains for the Reporting Period. On a go forward basis the Company plans to adopt new policies, and/or add language to applicable policies reinforcing our commitment to not condoning nor participating in any aspect of child labour within our business operations and will implement a screening process to assess any risk factors. Upon determination of any evidence of forced labour or child labour, the Company will work to remediate the situation.

## Approval and Attestation

The Report was approved pursuant to subparagraph 11(4)(b)(i) of the Act by the Board of Directors.

In accordance with the requirements of the Act, and in particular section 11 thereof, I attest that I have reviewed the information contained in this joint Report for the entity specified below. Based on my knowledge, and having exercised reasonable diligence, I attest that the information in the joint Report is true, accurate and complete in all material respects, for the purposes of the Act, for the Reporting Period listed above.



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Paul Rivett  
Executive Chair of the Board of Directors  
May 31, 2024  
I have authority to bind GreenFirst.

