



Forced Labour and Child Labour in Supply Chains Report

Fiscal Year 2023

1. ABOUT THIS REPORT

This joint report has been prepared in accordance with Canada's *Fighting Against Forced Labour and Child Labour in Supply Chains Act* by Masonite International Corporation, covering its last financial year ending December 31, 2023.

The scope, policies and information provided in this report apply to Masonite International Corporation and its subsidiary Masonite Corporation (collectively, "Masonite", the "Company", "we", "our" or "us"). The Company is also subject to the California's *Transparency in Supply Chains Act* pursuant to which a statement is filed separately.

This report sets out the commitment, and the key actions taken by the Company within its last financial year, to prevent and reduce the risk of forced labour and child labour in its business operations and supply chains.

2. OUR COMMITMENT

Masonite is committed to ensuring that its supply chain reflects our values and respect for human rights. Masonite does not use of any form of involuntary labour including forced, prison, indentured, bonded, slave, or human trafficked labour and fully supports efforts to combat, prohibit, and prevent child labour, human trafficking and slavery.

This commitment extends to preserving and promoting the fundamental rights enunciated in the United Nations Universal Declaration of Human Rights, United Nations Guiding Principles on Business and Human Rights, OECD Guidelines for Multinational Enterprises, and International Labour Organization (ILO) Declaration on Fundamental Principles and Rights at Work. Our dedication to both international human rights standards and local laws are rooted in our core values and reinforced through our policies.

3. PREVENTING AND REDUCING RISKS OF FORCED LABOUR AND CHILD LABOUR

During its last financial year, Masonite took several steps to prevent and reduce potential risk of forced labour and child labour in its activities and supply chains, including the following:

- We have maintained high standards of human rights as we continued to (i) implement our codes, policies and measures to remediate any forced labour and/or child labour throughout our activities and supply chain, (ii) monitor complaints through our ethics helpline accessible to suppliers and their employees, and (iii) gather information on worker recruitment by maintaining internal controls. We provide a security profile questionnaire to suppliers, which is part of our boots-on-the-ground audit in 2023, that includes questions related to forced labour policy, forced labour prevention programs, the use of foreign

labour, the recruitment and fee paying process, contracts for foreign workers, passport/document storage procedures, and age of hire.

- We conducted audits that included a review of human rights risks and hiring practices within our supply chain and appointed a Global Trade Risk Manager who is responsible for our auditing program and the health and effectiveness of our overall mitigation program.
- We started mapping our activities and Tier 1 international suppliers to track goods entering the United States, Canada, Chile, and Mexico.
- We provided training on forced labour risks to our workforce and tracked suppliers' compliance with our Supplier Code of Conduct to monitor our performance in addressing forced and child labour.

Details of the above actions are set out in this report.

4. ABOUT US & OUR SUPPLY CHAIN

Masonite International Corporation (NYSE: DOOR) is a leading global designer, manufacturer, marketer and distributor of interior and exterior doors and door solutions for the residential and non-residential building construction markets' new construction and repair, renovation and remodeling sectors. Masonite is incorporated under the laws of British Columbia, Canada, with its principal place of business in Tampa, Florida. Masonite Corporation, a wholly owned subsidiary of Masonite International Corporation, is incorporated under the laws of the State of Delaware.

Masonite operates 64 manufacturing locations in seven countries and sells doors to customers throughout the world, including the United States, Canada and the United Kingdom. Our workforce includes over 10,000 employees and contract personnel in seven different countries. Masonite has a vertically integrated business model with three reportable segments: North American Residential, Europe and Architectural.

While Masonite is vertically integrated, we require a regular supply of raw materials from various vendors in the US, Canada, China and South Korea. These raw materials include wood chips, some cut stock components, various composites, hardware, hinges, steel, glass, aluminum, paint, stain and primer as well as petroleum-based products such as binders, resins and plastic injection frames to manufacture and assemble our products. Moreover, we utilize a network of suppliers based in North America, Europe, South America and Asia to purchase other components, including medium density fiberboard (MDF), plywood and hardboard facings, door jambs and frames, glass frames and inserts, and steel coils for the stamping of steel door facings.

Internal framing components, MDF, cut stock and internal door cores are manufactured internally at our facilities and supplemented by suppliers worldwide.

5. POLICIES AND DUE DILIGENCE PROCESSES

In line with our commitment to create an environment considerate of the human rights of all employees, suppliers, vendors, and partners, wherever Masonite conducts business, we strive to embed responsible business conduct into our policies and management systems.

As stated in our Human Rights Policy, our commitment to international human rights standards and local laws are rooted in our core values and reinforced through our Masonite Values Operating Guide and our Masonite Supplier Code of Conduct.

5.1 Human Rights Policy

Masonite has a zero-tolerance policy for human rights abuses, which is reinforced through our Human Rights Policy. We strictly prohibit all forms of involuntary labour, including forced labour, involuntary prison labour, indentured labour, indebted labour, bonded labour, slave labour, child labour, or any human trafficked labour within our operations and throughout our supply chain.

Our Human Rights Policy applies to all our employees, contractors, and persons conducting business with us. Masonite also encourages its suppliers, vendors, and other partners to follow our Human Rights Policy, by requiring them to review and acknowledge their compliance with it, as part of our supplier onboarding process.

In our Human Rights Policy, we also reiterate the fact that we recognize the freedom of employees to bargain collectively and that we are against discrimination based on race, color, age, gender, sexual orientation, disability, etc., or on the basis of any other characteristic prohibited by applicable law.

5.2 Masonite Values Operating Guide

The Masonite Values Operating Guide is the “Bricks and Mortar” of our integrity commitment, and it is intended to be a code of conduct and an enterprise level human rights policy that enables Masonite to meet its values, mission and vision. It applies universally, across all locations and to all employees of the Company.

The guide delineates the expected behavior and conduct of our employees across a variety of topics, including non-discrimination and fair employment practices, respect for human rights, interdiction of forced and child labour, health and safety and conflicts of interest.

Employees and leaders who violate the values, policies or practices contained in the guide, may face disciplinary action up to and including termination of employment.

5.1 Whistleblower Policy

Our Whistleblower Policy establishes procedures for the receipt, retention, investigation and treatment of complaints and concerns reported by employees and other interested parties with respect to various issues and concerns including, legal and regulatory compliance or deviation from our Values Operating Guide. This policy is designed to ensure that all reports are handled as confidentially as possible and that the rights of the whistleblower are protected.

Masonite maintains a confidential ethics helpline by which our workforce and other stakeholders may report compliance failures by employees, suppliers, or contractors, including any suspected failures regarding human rights abuses, as further detailed in our Values Operating Guide.

5.2 Masonite Supplier Code of Conduct

The Masonite Supplier Code of Conduct describes the expected behavior and conduct that we require from our business partners. This includes compliance with laws, no forced and child

labour, safe and healthy working conditions, freedom of association and non-discrimination. All our suppliers are required to sign our Code of Conduct, as we engage only with suppliers who have certified to us that their business practices are lawful, ethical and in compliance with the principles set forth in our Supplier Code of Conduct. Masonite reserves its rights to terminate its business relationships with any suppliers found in violation of the code.

5.3 Supplier Policy

Masonite Supplier Policy provides that all suppliers must comply with applicable international, federal, state, provincial, and local laws, rules, regulations, and ordinances in connection with the design, manufacture, sale, delivery and use of their products, which includes laws regarding human trafficking and slavery. In addition, all suppliers are required to allow our representatives access to their manufacturing and storage facilities so that the Company may conduct process or product audits at the supplier's facility as needed. Audits may also be conducted to review suppliers' environmental management, performance in the area of human rights and labour practices.

5.4 Due Diligence Processes

As part of our initiatives to identify risks, Masonite currently has due diligence processes in place related to forced labour and/or child labour.

- **Audits of Suppliers:** Our audit procedures encompass both virtual and on-site assessments, aligning with the Customs-Trade Partnership Against Terrorism (CTPAT) guidelines. These evaluations cover various aspects, including forced labour and child labour, to achieve compliance.
- **Responsible Sourcing:** Within our wood business, we employ a Responsible Wood Sourcing Survey that is then subject to an enhanced due diligence process. This aims to identify any products originating from higher risk regions.
- **Global Trade Risk Manager:** Our Global Trade Risk Manager is responsible for overseeing and conducting due diligence on new and existing business partners and for assessing the health and effectiveness of our overall mitigation program.

6. RISK ASSESSMENT

We have initiated the process of mapping our activities and Tier 1 international suppliers. However, since this process is still in the early stages, there are still gaps in our assessments.

Our risk assessment involved tracking goods entering the United States, Canada, and Mexico to determine their country of origin and identify any areas of concern. We also compared the mapping details of our international Tier 1 suppliers with specific regions and products to highlight potential risks.

The risks we have identified through our preliminary mapping are primarily related to the industry we operate in, the type of products we sell and source, the locations of our activities and those of our suppliers, the raw materials and the use of foreign workers by our suppliers. We also understand that the risk of forced labour and child labour in agriculture, forestry, fishing, and hunting industries as well as in the manufacturing industry exists and that supply chains that extend into certain foreign countries potentially face greater risk of forced labour and child labour.

Nevertheless, to date, we have not been made aware of any instances of forced labour or child labour within our activities or our supply chains, but if any concerns are identified, they will be acted upon immediately.

Given the absence of any identified instances of forced labour or child labour in our activities and supply chains, no measures were taken to remediate such instances or to remediate the loss of income to the most vulnerable families that may result from measures taken to eliminate the use of forced labour and child labour.

7. TRAINING AND CAPABILITY BUILDING

To ensure a high level of understanding of the risks of forced labour and child labour in our supply chains and our business, Masonite provides mandatory training to select employees.

We have provided our Global Sourcing team with training on forced and child labour risks. Additionally, we are actively enhancing our standard operating procedures by focusing on annual training sessions, delivered both virtual and in-person, for employees and stakeholders. Looking ahead to 2024, we aim to further enrich these training programs with comprehensive training sessions on mitigation tactics, thereby strengthening our efforts to effectively address the challenges of forced and child labour.

8. ASSESSING THE EFFECTIVENESS OF OUR APPROACH

Masonite has established robust policies and procedures to prevent the use of forced and child labour within our operations and supply chains. We conduct regular reviews and/or audits of these policies and procedures to ensure their effectiveness and we track the percentage of suppliers that have signed our Supplier Code of Conduct on an annual basis.


We are currently implementing process improvements to enhance our ability to identify and mitigate forced labour risks within our supply chains. While such process has not been formalized, proactive steps are being taken, including the planned engagement of a third-party to manage software and oversee supply chain activities related to forced labour. Additionally, our continued participation in the CTPAT program requires us to meet certain minimum criteria, including completion of an audit of our suppliers confirming that our suppliers do not engage in forced labour.

9. APPROVAL AND ATTESTATION

This report was approved by the Board of Directors of Masonite International Corporation on May 9, 2024, pursuant to subparagraph 11(4)(b)(ii) of the Act and constitutes the joint report for the entities listed in the first section of this report for the financial year ending December 31, 2023.

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 in the first section of this report. 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 indicated above.

I have the authority to bind Masonite International Corporation.

DocuSigned by:

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Full name: Howard C. Heckes
Title: President and CEO, Director
Masonite International Corporation
Date: May 9, 2024