



**REPORT UNDER THE *FIGHTING AGAINST FORCED LABOUR AND CHILD LABOUR IN
SUPPLY CHAINS ACT***

FINANCIAL YEAR ENDED DECEMBER 31, 2023

Olympia Tile International Inc.
1000 Lawrence Avenue West
Toronto, Ontario M6A 1C6

I. INTRODUCTION

This report was prepared by Olympia Tile International Inc. and its wholly owned subsidiary, Flextile Ltd. (collectively, "**Olympia**" or the "**Company**") for the financial year ending December 31, 2023 (the "**Reporting Period**") and describes the steps taken 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 Company, or of goods imported into Canada by the Company.

This Report is the first report prepared by Olympia pursuant to Canada's *Fighting Against Forced Labour and Child Labour in Supply Chains Act* (the "**Act**").

II. PREVENTING AND REDUCING RISKS OF FORCED AND CHILD LABOUR

Olympia is committed to upholding high standards of integrity, ethical conduct and responsible business practices in its activities and supply chains. The Company understands the risks of forced and child labour and acknowledges the need for companies to act responsibly and ethically in their business practices and operations. To this end, Olympia will monitor and take appropriate incremental steps to improve its processes to address and mitigate risk of forced and child labour in its supply chains in 2024 and beyond.

III. STRUCTURE, ACTIVITIES AND SUPPLY CHAINS

Olympia is a closely held family business based in Ontario, Canada. Founded in 1956, the Company is today one of the largest distributors of tile and stone construction materials in North America.

Olympia Tile International Inc. supplies goods in the Canadian market and acts as an importer of record for goods into Canada. The Company also supplies products in the U.S. market through a U.S.-based subsidiary that does not have sales or operations in Canada. Through its wholly owned subsidiary, Flextile Inc., Olympia also produces tile adhesives and cements at manufacturing facilities in Vaughan, Ontario. Olympia employs approximately 400 employees.

Through its network of longstanding and trusted suppliers, Olympia sources products from numerous manufacturers around the world. All marketing and sales of Olympia's products are performed through its corporate head office in Vaughan, Ontario.

IV. DETERMINING THE RISK OF FORCED LABOUR OR CHILD LABOUR

Like other businesses operating in the building materials sector, Olympia may face potential human rights-related risks in its operations and supply chains. The Company assesses compliance risk in its operating activities and relationships with suppliers generally in the normal course of business and addresses risks as they are identified.

With respect to Olympia's own operations, all employees of Olympia Tile International Inc. and Flextile Ltd. are located in Canada, employed under valid employment contracts and in safe and respectful workplace conditions that comply with applicable provincial laws. Olympia's employment policies articulate the company's respect human rights and dedication to the highest employment standards, and the Company has procedures in place to ensure that these standards are met.

Olympia procures tile and stone products, as well as raw materials for the production of tile adhesives and cements, from third party vendors. Olympia does not control the operations of its unrelated suppliers and does not have full visibility into to the labour practices of direct suppliers or of indirect suppliers further up the value chain. The extent of forced labour and child labour risk presented by such upstream suppliers may vary depending on factors such as product category and country of origin.

Olympia works with a relatively small number of trusted distributors with which the Company has long-term business relationships and who, to Olympia's knowledge, respect local employment laws and human rights standards in their operations. The manufacture of the tile and stone products that Olympia distributes is a technologically sophisticated process heavily reliant on automation and robotic labour. Consequently, the human labour required to operate and maintain the plants and machinery consists of relatively high-skilled positions, which may somewhat reduce forced and child labour risk at least with respect to the manufacturing operations of finished goods.

Overall, Olympia currently assesses the risk of forced labour and child labour in its operations and supply chains to be low, but it remains vigilant to monitor for any changes in circumstances that could increase risk.

V. POLICIES AND DUE DILIGENCE PROCESSES

Olympia rarely onboards new suppliers due to the longstanding relationships it has with its existing suppliers. Olympia representatives have previously toured the manufacturing facilities of the Company's major suppliers for general quality control and relationship building purposes. While past site visits were not specific to issues of forced and child labour, there was no indication of such practices identified during any past visits. Olympia will consider ways going forward in which it can improve its oversight of its suppliers' labour and employment practices and respect for human rights.

While Olympia's procurement contracts have not historically included express prohibitions on the use of forced or child labour, Olympia is reviewing its contracts to consider ways that its requirements in this area may be improved going forward or as contracts come up for renewal.

Olympia is reviewing ways to further mitigate risks in this area and will implement supplemental measures going forward in a risk-informed manner.

VI. REMEDIATION MEASURES

During the Reporting Period, Olympia did not identify any instances of forced labour or child labour in its activities or supply chains. Olympia therefore did not take any measures to remediate any incident of forced labour or child labour. Similarly, no steps were required to remediate 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, as no such measures were taken.

Olympia provides complaint mechanisms under its internal labour and employment policies, with employees encouraged to reach out to certain staff members if there are concerns regarding workplace issues. Olympia abides by its legal obligations under Ontario's *Employment Standards Act*. If Olympia does identify incidents of forced labour or child labour within its activities or supply chains, Olympia will consider the appropriate remediation strategies.

VII. TRAINING

Olympia employees receive training on workplace safety and Olympia's employment policies. Olympia employees are not trained specifically on forced or child labour issues in the normal course as such training has not historically been viewed as applicable based on the risk profile of Olympia's Canadian operations. As previously mentioned, Olympia Tile International Inc. and Flextile Ltd. employees are all employed in Canada under applicable provincial employment legislation.

VIII. ASSESSING EFFECTIVENESS

Olympia reviews its workplace policies periodically to ensure they are adequately meeting applicable Ontario employment and human rights standards. In 2023, Olympia did not have policies or training specifically regarding forced or child labour, and consequently has no formal assessment mechanisms in place for forced or child labour. Olympia continues to review its practices on an ongoing basis and consider ways in which it can better evaluate the effectiveness of existing procedures as appropriate.

IX. APPROVAL AND ATTESTATION

I confirm that this report has been approved by the Olympia Tile International Inc. board of directors as required under subsection 11(4) of the Act. I further 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.

Signature: 
Name: Joel Reichmann
Title: Chief Operating Officer
Date: May 30, 2024

I have the authority to bind Olympia Tile International Inc.