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Fighting Against Forced Labour and Child Labour in Supply Chains Act

Reporting Year: 2023

Entity: Panolam Industries Ltd.
61 Domtar Rd.
Huntsville, ON P1H 2J7

Structure: Panolam Industries Ltd. is a subsidiary of Panolam Industries International, Inc.

Activities: Panolam Industries Ltd. manufactures particleboard and TFL laminated panels at its Huntsville, ON facility. The facility also coats paper with amino resins which are used both internally in the TFL panel production process and sold into the market.

Supply Chains: Panolam Industries International, Inc. and its subsidiaries are committed to conducting business in a lawful, ethical, and responsible manner and require its suppliers to meet similar standards.

The primary raw materials used at the facility include recycled and recovered wood fiber, paper products and resins/chemicals used in the paper treating and particleboard production operations. The bulk of these materials are sourced from domestic or North American suppliers.

Organization Policies and Due Diligence for Forced or Child Labour:

The company currently relies on the use of reputable suppliers to ensure that proper work practices are being used. This is conducted through financial reviews and reviews of readily available documentation on the company.

With regards to specific raw materials, the company is currently certified by the Forest Stewardship Council (FSC[®]) for the production of its products. As part of this certification the facility is annually audited through self-assessment or third-party inspections that the facility complies with the ILO Core Labour requirements which include Forced Labour and Child Labour Practices. All of the paper suppliers, foreign and domestic, are also FSC certified which means they are also subject to the ILO Core Labour practices.

All of the wood fiber purchased for use in the production of the particleboard at the facility is sourced from domestic suppliers and comes from Canadian forests which are all subject to Canadian labor laws. A

number of these suppliers are also FSC certified so must comply with the ILO Core Labour Practices

With respect to chemical raw materials, the bulk of these are purchased from domestic manufacturers which must comply with Canadian Labor Law. Survey forms are also provided to our supply chain requiring additional information about the supplier's labour practices.

Source of Potential Risk: At present no sources of potential risk have been identified in the company's supply chain. The facility will continue to review new suppliers that may be added to the supply chain to ensure that they comply with Canadian requirements. The company.

Remediation Measures: At present there are no remediation actions required to be taken based on the preliminary risk assessment. If in the future a risk is determined, then actions will be taken which may include alternative sourcing depending on the level and type of risk.

Remediation of Loss of Income to Vulnerable Families: As indicated above, at this time no risk has been identified so remediation is not required.

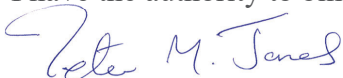
Training: All of the company purchasing representatives and applicable employees receive training for the FSC certification program which includes the requirements of the ILO Core Labor practices which specifically include both forced and child labour. This training is audited by a third part auditor for the FSC program on an annual basis.

Review of Effectiveness: This program will be reviewed on annual basis, at a minimum to ensure that compliance is maintained. This will include a review of the supply chain.

Attestation:

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."

I have the authority to bind Panolam Industries Ltd.



Date: May 10, 2024

Peter Jones
CEO