

Fighting against forced labour and child labour in supply chains report

May 31, 2024

About this Report

Modern slavery refers to forms of contemporary slavery such as forced or compulsory labour, child labour, human trafficking or any other internationally recognized exploitative labour practices. It is a significant global issue impacting different industries, sectors and geographic locations. The Canadian government has committed to preventing and reducing these risks and has established legislation to require certain entities to report on the measures taken in this regard.

Roofmart (Canada) Limited (“Roofmart”, “the Company”) recognizes that modern slavery, including forced labour and child labour, is a complex issue that can exist in a variety of forms through global supply chains. Roofmart (Canada) Limited recognizes it has an important role to play in safeguarding the rights of its workers, advancing its supply chain transparency, and mitigating the risks of modern slavery.

As a Company that has been in operation for more than 60 years, Roofmart has remained firmly rooted in its foundational values, entrepreneurial spirit, commitment to quality and to its vision to be a leader in Health and Safety by creating an injury-free safe environment within its industry.

Scope, Definitions and Boundaries

This joint report is provided in relation to Canada's *Fighting Against Forced Labour and Child Labour in Supply Chains Act* (the "Act") and related guidance from Public Safety Canada, for the reporting period of January 1, 2023, to December 31, 2023. The Report outlines the steps Roofmart, and its subsidiaries have taken for the reporting period related to the prevention and detection of modern slavery within its activities and supply chain.

This Report has been prepared on behalf of **Roofmart (Canada) Limited** as the main reporting entity and the direct and indirect subsidiaries noted below:

- Roofmart West Limited
- Roofmart Alberta Inc.
- Roofmart Pacific Ltd.
- Pacific Roof Centre Inc.
- Roofmart Ontario Inc.
- Roofmart Prairies Ltd.
- Les Entreprises Roofmart Ltée.

For the purpose of this Report, the terms "Roofmart (Canada) Limited", "Roofmart" and "the Company" may be used interchangeably to refer to the business.

Our Structures, Activities and Supply Chains

Business and structure

Roofmart is a private Canadian company specializing in the distribution of roofing and siding materials to homeowners, contractors, home builders and developers. The Company has a nationwide distribution network and is one of Canada's leading distributors of commercial and residential roofing products. Additionally, it is a major distributor of tools and safety products, equipment, and construction accessories. Roofmart's success is attributed to its dedicated and knowledgeable employees operating in over 50 sales and distribution centres strategically located throughout Canada. By partnering with selected manufacturers, Roofmart efficiently distributes a diverse range of products to meet the evolving needs of its customers.

Roofmart's Corporate Headquarters is in Brampton, Ontario, Canada and is home to its National Support Centre and the executive team. The Company serves its customers through a nationwide network of sales and distribution facilities. Roofmart's distribution facilities collaborate to ensure their processes and technologies are aligned. Each division and distribution facility strictly adheres to the Company's founding principles and is subject to the Company's corporate standards and processes.

Activities

Roofmart partners with North American manufacturers and offers a diverse range of products, including residential and commercial roofing products, siding and cladding products, waterproofing, insulation and building envelope products as well as tools and safety products. The Company's offering can be broken down into the following categories:

- **Residential roofing:** Roofmart offers a complete product selection to suit residential roofing needs including shingles, metal roofing, felt and underlayment, ice and water protection, skylights and hatches etc.
- **Commercial roofing:** Roofmart offers a wide range of commercial roofing system solutions ranging from modified bitumen systems to thermal insulation.
- **Siding and cladding:** Roofmart offers exterior building materials used to cover and protect the walls of a structure.
- **Building envelope:** Roofmart offers high performance wall system products and building protection products that meet all industry waterproofing and insulation standards.
- **Tools and specialty equipment:** Roofmart offers a variety of standard and specialty tools tailored to the needs of the construction industry, such as safety equipment, hand tools and nail guns.
- **Adhesives & Cements:** Roofmart offers a variety of accessories including adhesives, sealants, coatings, cements, primers and tapes for all sorts of projects.

Supply Chain

As a wholesale roofing and siding distributor, Roofmart operates as an intermediary between manufacturers and customers in the roofing and siding industry. Through strategic partnerships with manufacturers, Roofmart procures a wide range of standard and specialized roofing products. These products are then distributed and delivered to customers across Canada, catering to the diverse needs of construction and development professionals.

Roofmart's role as a distributor allows it to focus on the efficient procurement and distribution of roofing and siding products plus accessories. The Company generally does not engage in the direct sourcing of raw materials. The majority of Roofmart's suppliers are located in Canada and the United States, where strong workers' rights and human rights legislation are enforced.

Our Values, Policies and Due Diligence Processes in Relation to Forced Labour and Child Labour

Values

At Roofmart, our corporate philosophy, vision and values are embraced by all members of management and employees. We believe that **sharing knowledge** helps us find ways to improve our business for the benefit of all, **integrity** defines how we do what we say, **long-term thinking** frames our decision-making to help secure a brighter future, **performance** ensures that we will never stop trying to improve ourselves, **humility** creates honest, open and respectful relationships among all, and **agility**, combined with knowledge, helps us deliver sound decisions quickly.

Policies and Due Diligence Processes

Roofmart is committed to maintaining the highest standards of ethical conduct in all dealings with employees, customers and suppliers. As such, Roofmart has adopted and implemented several policies and practices that support responsible business practices and human rights, which demonstrate the Company's commitment to align with applicable laws, to foster safe work practices and to provide an ethical and respectful working environment.

Roofmart requires that employees, in the execution of their job responsibilities, faithfully observe all legal requirements and adhere to a list of policies which include a Harassment, Discrimination & Violence Prevention Policy, a Business Ethics Policy, an Immigration Law Compliance Policy, and a Diversity, Equity & Inclusion Policy. All employees and contractors are expected to support the Occupational Health and Safety Policies, to comply with all safety and health rules, policies, procedures and programs, and to make safety and health part of their routine.

Roofmart believes in open communication and demonstrates its commitment to integrity and accountability through its **Ethics Point, a confidential employee whistleblower hotline**. This hotline provides an avenue for employees to report any illegal, unethical, or unsafe acts.

Going forward, we will continue to assess and strengthen our policies and due diligence process to ensure we have appropriate measures in place to identify and respond to potential risks of forced and child labour in our supply chain and to reinforce ethics to ensure that honesty, care, and due diligence are reflected in all procurement activities. In 2024, we are considering the development of a formal **purchasing policy**, providing a framework for the procurement practices of goods and services, including respect for human rights and working relationships and conditions. In addition, we are considering the implementation of a pre-qualification process for suppliers, which would require new suppliers to be evaluated against pre-established criteria and to complete an assessment form identifying the processes and programs they have in place.

Assessing the Risks of Modern Slavery in our Operations and Supply Chain

Roofmart does not have a formal risk assessment process in place to identify parts of its activities and supply chain that carry a risk of forced and child labour. However, in early 2024, Roofmart engaged with certain direct suppliers through a Risk Assessment Questionnaire to identify parts of the supply chain that carry potential vulnerabilities and risks and to strengthen its understanding of forced and child labour risk to its business and supply chain. Through this exercise, Roofmart made inquiries of active suppliers about their processes and risks related to forced and child labour, as well as their country and sector risk as informed by the Walk Free Global Slavery Index.

Components of the Business and Supply Chain that Carry a Risk of Forced Labour and Child Labour

In 2023, the majority of Roofmart's direct suppliers and contractors were located in Canada and the United States where strong labour laws are enforced, therefore we consider the risks of forced and child labour within our direct supply chain to be low. Nevertheless, Roofmart recognizes that due to the complexity of global supply, the risks of forced and child labour may exist in its supply chain. The Company is considering ways to enhance its procedures for identifying and addressing supply chain risks.

To date, Roofmart has not been the subject of any investigation or convicted of any offence under any modern slavery laws.

Measures Taken to Remediate Forced Labour and Child Labour including Remediation of the Loss of Income to the Most Vulnerable Families

Roofmart has not identified any instances of forced or child labour in its activities and supply chains within the financial year ended December 31, 2023, and therefore, no remediation measures were taken. The Company acknowledges the importance of ongoing monitoring to ensure that forced and child labour risks remain mitigated within its operations and supply chains.

Training

Roofmart did not provide formal training to employees specific to forced and child labour in 2023.

Assessing Effectiveness

As this is Roofmart's first Modern Slavery Report, the Company has not yet taken steps to assess the effectiveness of preventative and mitigating actions. Roofmart will continue to evaluate its approach to addressing the risks of modern slavery and measures introduced will be reported on in future years.

Approval of 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 Roofmart Limited

David Koschitzky
Chief Executive Officer
May 31, 2024