



**Tsawak-qin Forestry Limited Partnership**

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2023 Report

*Fighting Against Forced Labour and Child Labour in Supply Chains Act*

Published: May 31, 2024

## Overview

Tsawak-qin Forestry Limited Partnership (“**Tsawak-qin**” or the “**Limited Partnership**”), as represented by its general partner, Tsawak-qin Forestry Inc. (the “**General Partner**”) is producing this report (the “**Report**”) in accordance with Section 11(1) of the *Fighting Against Forced Labour and Child Labour in Supply Chains Act* (the “**Act**”) for the financial year ended December 31, 2023.

Tsawak-qin is committed to continuous improvement in everything we do, with health and safety being our highest priority. We conduct our business with integrity and transparency and are committed to promoting human rights in all aspects of our business.

This Report sets out Tsawak-qin’s actions to identify and understand any forced labour or child labour risks related to our business and describes the policies and processes the Limited Partnership has in place to combat these potential risks in our business and supply chains.

This Report has been approved by the board of directors of the General Partner (the “**Board of Directors**”) in its capacity as the governing body of the Limited Partnership. All information provided in this Report pertains to Tsawak-qin Forestry Limited Partnership, as the entity required to report pursuant to Section 11(1) of the Act. All information presented in this Report is current as of the date set forth above unless otherwise indicated.

## About Tsawak-qin

### Structure

Tsawak-qin is a limited partnership formed under the laws of the Province of British Columbia. Tsawak-qin’s registered office is located at Suite 800 – 1055 West Georgia Street, Royal Centre Building Vancouver, BC with its operations based out of 1080A Franklin River Road, Port Alberni, BC.

Tsawak-qin’s limited partners are Western Forest Products Inc. and Huumiis Ventures Limited Partnership, a limited partnership beneficially owned by the Huu-ay-aht First Nations (“**HVLP**”), who hold all of the issued and outstanding limited partnership units of Tsawak-qin. The General Partner holds 100% of the general partner units of Tsawak-qin and the governance of the Limited Partnership is directed by the General Partner through its Board of Directors.

As of December 31, 2023, Tsawak-qin had 18 employees, of whom 16 are Canadian salaried employees and 2 are Canadian non-union hourly employees. All employees directly employed by the Limited Partnership are located in British Columbia, Canada (“BC”). The Limited Partnership uses contractors to support its timberlands operations, as its business needs may require.

### Activities

Tsawak-qin’s primary business includes the harvesting of timber and selling our logs to select customers in Canada.

### Supply Chains

The Limited Partnership harvests timber from tenures on Crown-owned land in BC. The Limited Partnership employs salaried and hourly employees and engages contractors to perform its timberlands harvesting activities.

Once sourced, logs are sorted according to species, size and grade and sold to third parties on the open-market or under long-term fibre supply agreements. Logs are largely transported by truck, using contracted trucking services, to Tsawak-qin's customers.

## **Policies and Due Diligence Processes**

### Policies

The Limited Partnership implements a Code of Conduct and Business Ethics ("**Code of Conduct**") to mitigate the risk of forced labour and child labour in its business and supply chains.

The Code of Conduct clearly sets out the core values and the actions and behavior expected from all Tsawak-qin representatives. The Code of Conduct requires all Tsawak-qin representatives to comply with the letter and spirit of all applicable laws, rules and regulations in the jurisdictions that the Limited Partnership operates in, including those pertaining to health and safety and human rights.

The Code of Conduct requires all Tsawak-qin representatives to immediately report any concerns relating to the Code of Conduct observed in the course of the Limited Partnership's business, including those relating to health and safety and human rights, and the Limited Partnership is committed to investigating and addressing any concerns raised. All reported violations of the Code of Conduct are reported to the Board of Directors.

### Due Diligence Processes

The Limited Partnership also mitigates the risk of forced labour and child labour in its business and supply chains through various mandated due diligence processes.

As part of its standard recruitment and hiring process, the Limited Partnership arranges background checks and verifies identification for every prospective employee and maintains these records in its confidential files in accordance with applicable law. The Limited Partnership also requires that all new employees receive mandatory training on the Code of Conduct (as described above) as part of their onboarding. The Limited Partnership's employees are also required to annually acknowledge that they have reviewed and are complying with the Code of Conduct.

The Limited Partnership also implements a number of due diligence processes to mitigate the risk that forced labour or child labour is used by the Limited Partnership's suppliers or service providers, including the following:

- using ISNetwork, a third-party contractor management platform, to ensure our contractors' health, safety and governance programs meet regulatory and contractual requirements, including compliance with applicable laws;
- requiring suppliers and service providers to undertake request for proposal (RFP) or request for quote (RFQ) processes for significant capital projects, which enables the Limited Partnership to further evaluate its suppliers and service providers based on specified criteria, including those relating to compliance with applicable law; and
- performing regular inspections of our forest service contractors' performance to ensure that contractors are meeting our operational expectations and complying with applicable laws, including those pertaining to forced labour and child labour.

Furthermore, Tsawak-qin has a contract management policy that helps to ensure that the Limited Partnership's contractual arrangements with suppliers, service providers and other contractors are appropriately reviewed and contain appropriate representations, warranties and covenants regarding their compliance with applicable law in the course of performing their duties for the Limited Partnership.

### **Risk Assessment**

As mentioned above, the Limited Partnership actively monitors our contractors to ensure they are meeting our operational expectations and complying with applicable laws, including those pertaining to forced labour and child labour. Moreover, all our contractors are based in British Columbia and subject to the laws, employment standards and health and safety regulations of that jurisdiction.

Notwithstanding the foregoing, the Limited Partnership has determined that its contractors' employment practices, which we do not directly control, present the greatest risk of child labour and forced labour in our supply chain. The Limited Partnership has determined that more proactive review of the Code of Conduct with our contractors, with specific attention drawn to the issues of forced labour and child labour, will further mitigate such issues in our supply chains in addition to the measures described in this Report.

### **Remediation Measures**

The Limited Partnership did not discover nor was made aware of any instances of forced labour or child labour in its operations and supply chains during 2023 and, consequently, no remediation measures were required.

### **Training**

As mentioned above, all new employees of the Limited Partnership receive mandatory training on the Code of Conduct as part of their onboarding. Moreover, the Limited Partnership's employees are required to comply with all policies described in this Report and receive regular training and testing to ensure that they understand such policies.

### **Assessing Effectiveness**

The Limited Partnership assesses the effectiveness of its policies and due diligence processes relating to forced labour and child labour primarily through monitoring and evaluating any concerns raised through the Code of Conduct (as described above). The Limited Partnership also provides its employees a forum to raise any concerns through regular, confidential employee engagement surveys, the results of which are used to inform updates to the Limited Partnership's policies and changes to our workplace. To date, no issues relating to forced labour or child labour have been raised through the Code of Conduct nor any employment engagement survey.

The Limited Partnership continually evaluates the performance of our suppliers and service providers to ensure that the Limited Partnership's business relationships align with our strategic objectives and core values, including those values set forth in the Code of Conduct. The Limited Partnership documents any reported instances of non-compliances from our suppliers and service providers, including violations of the Code of Conduct, and will consider such non-compliances as we engage such supplier or service provider for future projects or, in some circumstances, terminate our business relationship with such supplier or service provider. Moreover, ISNetworld requires certain of the Limited Partnership's suppliers and service providers to provide updated information on an annual

basis to verify that their health, safety and governance programs continue to meet regulatory and contractual requirements, including compliance with applicable laws.

### **Steps Taken in 2023**

The Limited Partnership has taken the following steps during the 2023 financial year ended December 31, 2023 to prevent and reduce the risk that forced labour or child labour is used at any step of the production of the Limited Partnership's goods:

- continuing to implement the policies and mandated due diligence processes described in this Report;
- providing mandatory training on the Code of Conduct to all new Limited Partnership employees, including for reporting concerns relating to the Code of Conduct;
- requiring that all existing employees provide an annual acknowledgement that they have read and are complying with the Code of Conduct;
- undertaking a confidential engagement survey to solicit feedback from all employees regarding working conditions at the Limited Partnership's workplace; and
- verification of certain of the Limited Partnership's suppliers and service providers' compliance with health, safety, and governance programs through ISNetworld.

The Limited Partnership intends to continue to review and update its policies, procedures and processes to ensure that it maintains appropriate safeguards against the risk of forced labour and child labour in its business and supply chains. The Limited Partnership will also continue to implement its training processes to ensure that all employees are empowered to identify and report any suspected instances of forced labour and child labour in the course of their employment at Tsawak-qin.

*Attestation follows on the next page.*

## 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 this 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.

ATTESTED this 31<sup>st</sup> day of May, 2024.

By order of the Board of Directors



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**Seanna McConnell**

Chair, Board of Directors

Tsawak-qin Forest Products Inc., for and on behalf  
of Tsawak-qin Limited Partnership

I have authority to bind the Limited Partnership.