

Canadian Statement Against Forced Labour and Child Labour in Supply Chains
pursuant to an Act to enact the Fighting Against Forced Labour and Child Labour in
Supply Chains Act and to amend the Customs Tariff,
referred to as Canada’s “*Modern Slavery Act*” (the “**Act**”)
for the year ending 2024.

1. INTRODUCTION

This is a statement made by Howard Ewashko, on behalf of WA Enterprises Ltd and its subsidiary, Western Archrib International (2021) Ltd., in respect of the Act, as referenced above.

WA Enterprises Ltd is a corporation incorporated pursuant to the laws of Alberta, Canada.

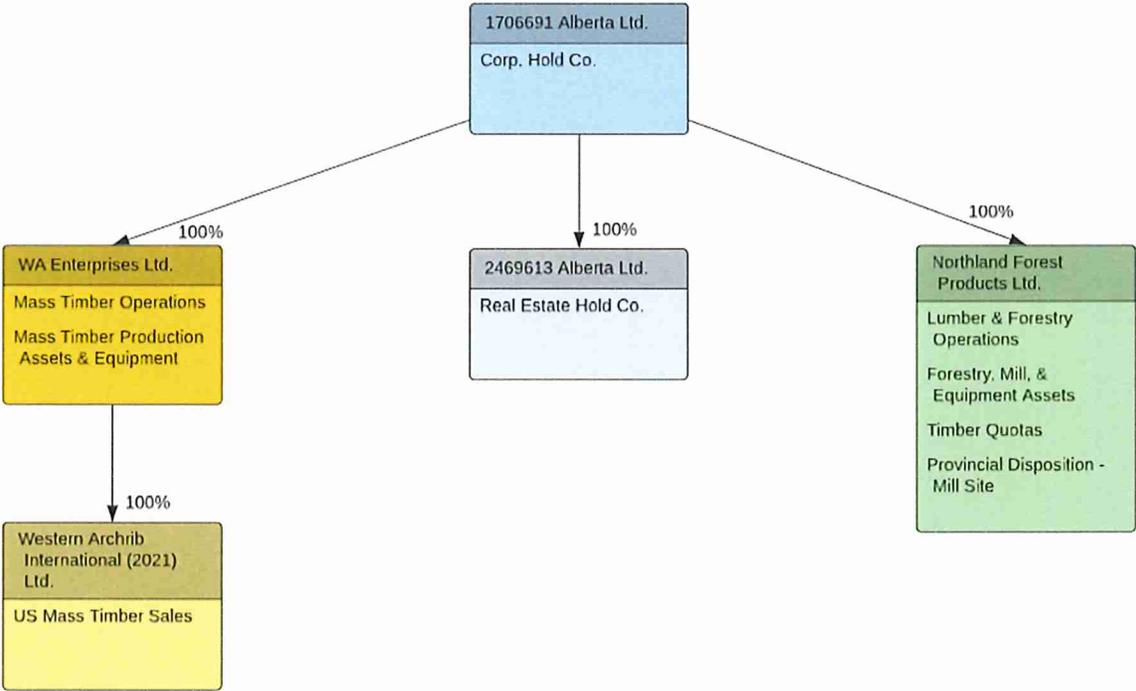
2. REPORTING ENTITIES

- WA Enterprises Ltd.
- Western Archrib International (2021) Ltd. (Wholly owned subsidiary)

3. STRUCTURE, ACTIVITIES AND SUPPLY CHAINS

Corporate Overview & Ownership Structure (External)

Benjamin Gill | May 21, 2024



WA Enterprises Ltd. and Western Archrib International (2021) Ltd. operate under the trade name, “Western Archrib”.

Activities

Western Archrib specializes in the design, manufacture, and custom fabrication of glued-laminated structural wood systems. Their product line includes a variety of glulam beams made from Spruce Pine, Douglas Fir, and Alaskan Yellow Cedar, as well as Westdek GLT (glued laminated timber) and CLT (cross-laminated timber) panel products. These products are used in a wide range of applications including floor beams, roof beams, headers, purlins, trusses, and arches for various construction projects.

The company operates two manufacturing facilities in Alberta and Manitoba, and their products are distributed throughout North America. Western Archrib is a leader in the mass timber market and is known for its contributions to sustainable building practices. They have been involved in numerous significant projects, including the PRIMED Mosaic Centre for Conscious Community & Commerce and the Northern Lakes College campus, which showcase their commitment to environmentally-friendly and innovative construction solutions.

Supply Chains

Western Archrib's supply chain involves multiple stages and a variety of sources to ensure the consistent and high-quality production of its engineered wood products. Primary inputs include lamstock, adhesive, steel connections, stains and coatings used in finishing, as well as a variety of consumables.

The following are some key elements and considerations within Western Archrib's supply chain:

Raw Materials

Lamstock:

"Lamstock" refers to the specially graded lumber used in glulam production. This lumber has lower moisture content (around 12%) compared to dimensional lumber, which can have up to 19% moisture content.

Western Archrib sources its primary fibres such as Spruce Pine, Douglas Fir, and Alaskan Yellow Cedar, from several suppliers. These include J.H. Huscroft near Creston, BC, Canfor's Elko and Radium sawmills in BC, and Frank Lumber in the Pacific Northwest.

The acquisition by Northland Forest Products has enhanced the supply chain by diverting a portion of Northland's dimensional spruce lumber volume to Western Archrib, ensuring a steady and controlled supply of raw materials.

Adhesive:

Western Archrib primarily uses structural adhesives in the production of their glulam beams. These adhesives are specifically designed for bonding layers of wood to create a strong, durable final product.

Common types of adhesives used in the glulam industry include phenol-resorcinol-formaldehyde (PRF) and melamine-urea-formaldehyde (MUF). These adhesives are chosen for their high strength, durability, and resistance to environmental conditions.

Suppliers include Hexion, and Henkel, which provide high-performance adhesives tailored for wood applications.

Ensuring a reliable supply of adhesives requires establishing strong, informed relationships with these suppliers to maintain consistent quality and availability.

4. POLICIES AND DUE DILIGENCE PROCESSES IN RELATION TO FORCED LABOUR AND CHILD LABOUR

We are committed to upholding human rights and ensuring that our operations and supply chains are free from any form of forced or child labour. We will communicate further details about our policy and processes as they continue to be developed and formalized.

In parallel with formalizing policy, we will conduct thorough due diligence to ensure compliance with ethical labour standards. In addition to existing processes largely relating to our FSC certification, our due diligence processes will include:

1. Risk Assessments: Identifying and assessing risks related to forced and child labour in our supply chains.
2. Training Programs: Educating employees involved in purchasing and procurement about the importance of labour rights and the identification of forced and child labour practices.
3. Grievance Mechanisms: Establishing clear channels for reporting and addressing any concerns related to forced or child labour.

5. PARTS OF BUSINESS AND SUPPLY CHAINS THAT CARRY A RISK OF FORCED LABOUR AND CHILD LABOUR AND STEPS TAKEN TO ASSESS AND MANAGE THAT RISK

The parts of our supply chain currently viewed as carrying a potential risk of forced and/or child labour relate to our sourcing of steel connectors and miscellaneous items within our general consumables where the point of origination for these items (i.e., their suppliers) may possibly be obfuscated or unclear.

No part of our business outside of our supply chains carries a risk of forced or child labour.

6. MEASURES TAKEN TO REMEDIATE FORCED LABOUR AND CHILD LABOUR

In any instance where the use of forced labour and/or child labour is identified or credibly suspected to have occurred within Western Archrib's supply chain Western Archrib, its agents and employees will, 1) immediately desist usage of the associated product(s), 2) inform any relevant authorities or agencies, 3) engage with the incident at the level of the Board and Sr. Leadership to address appropriate next steps and further remedial action.

We are not aware of any incidents or suspected incidents in the 70 year history of Western Archrib.

7. MEASURES TAKEN TO REMEDIATE LOSS OF INCOME TO MOST VULNERABLE FAMILIES THAT RESULT FROM MEASURES TAKEN TO ELIMINATE USE OF FORCED LABOUR AND CHILD LABOUR

N/A – Western Archrib’s management and Directors are not aware of any allegations or incidents of forced or child labour within our current and historical supply chains. The Board and Sr. Leadership of Western Archrib would be responsible for formulating a response in the event of a future allegations or incidents. Accordingly, focus at all levels remains on preventative measures, policy, and processes.

8. TRAINING PROVIDED TO EMPLOYEES ON FORCED LABOUR AND CHILD LABOUR

Work in Progress.

No formal training has historically been provided to employees of Western Archrib in respect of awareness and avoidance of forced and child labour within procurement and supply chain management. Additional training and documentation is expected to be incorporated for individuals involved directly in supply chain management over the coming year.

9. HOW ENTITY ASSESSES ITS EFFECTIVENESS IN ENSURING THAT FORCED LABOUR AND CHILD LABOUR IS NOT BEING USED IN ITS BUSINESS AND SUPPLY CHAINS

Work in progress.

Formal criteria, policy, and process for maintaining more robust assessments of our suppliers and supply chains in this respect will be addressed over the coming year.

Sourcing of lumber is only from jurisdictions (Canada, US) with robust legal and regulatory frameworks in respect of labour practices. Raw material is also sourced in these areas and industries operate in strict regulatory environments often with further third party (FSC® (FSC-C020013) Certified Wood to FSC-STD-40-004, SFI, and PEFC) certifications providing additional layers of comfort in this respect.

More directly, Western Archrib’s own FSC process and requirements have addressed these concerns directly in terms of lumber suppliers and procurement. Attached as Appendix A is Western Archrib’s signed “Commitment to FSC Core Labour Requirements”. The complimentary document, “FSC Self-Assessment for FSC Core Labour Requirements Canada” is also available via Western Archrib’s website which provides greater insight in to the associated review and process.

Concerns in respect of steel or adhesives would only be in respect of input materials further down the value chain. Sourcing in these cases is strictly from Canadian suppliers and distributors. As such, this same reporting requirement should provide an additional layer of transparency and comfort going forward and a potentially viable metric for more robust self-assessment.

Other inputs and consumables likely require further scrutinization in respect of refining policies and process.

ATTESTATION

This report has been approved by the Board of Directors of WA Enterprises Ltd. and Western Archrib International (2021) Ltd., on its own behalf and on behalf of the other reporting entities].

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. For clarity, I am providing this attestation in my capacity as a Director of WA Enterprises Ltd. and Western Archrib International (2021) Ltd., and not in my personal capacity.

Signature:  _____

Name: Howard Zwashko

Title: President

I have authority to bind WA Enterprises Ltd. and Western Archrib International (2021) Ltd.

Date: May 31, 2024

APPENDIX A



KPMG Forest Certification Services Inc.
777 Dunsmuir Street
Vancouver, BC V7Y 1K3
Canada

Attention: Cindy Hutchison

May 1, 2024

Commitment to FSC Core Labour Requirements

Dear Cindy,

We are writing concerning the WA Enterprises Ltd. (the Company)'s demonstration of its commitment to comply with the values of FSC as defined in the "Policy for the Association of Organizations with FSC" (FSC-POL-01-004 V2-0 EN).

Specifically, the Company commits that it shall not be directly or indirectly involved in the following activities:

- a) Illegal logging or the trade in illegal wood or forest products
- b) Violation of traditional and human rights in forestry operations
- c) Destruction of high conservation values in forestry operations
- d) Significant conversion of forests to plantations or non-forest use
- e) Introduction of genetically modified organisms in forestry operations
- f) Violation of any of the ILO Core Conventions (*As defined in the ILO Declaration on Fundamental Principles and Rights at Work*)

The Company indicates its concurrence with these commitments by signing below.

Yours truly,



Travis Van De Vliert, P.Eng.

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WA ENTERPRISES LTD.