



ANNUAL REPORT

PURPOSE

This annual report for the 2023 financial reporting year (July 1, 2023, to December 31, 2023) has been created by WRC Timber Inc. (“WRC”) for the sole purpose of meeting its obligations and reporting requirements for entities pursuant to the *Fighting Against Forced Labour and Child Labour in Supply Chains Act*, SC 2023, c 9 (the “Act”).

OUR COMMITMENT

WRC is committed to preventing and reducing the risk that forced labour or child labour is used at any step in its production of goods in Canada.

CATEGORIZATION, SECTOR, AND INDUSTRY

WRC is a corporation that holds a majority interest in Hornepayne Lumber Limited Partnership (“HPL”) and White River Forest Products Limited Partnership (“WRFP”). HPL operates a random length sawmill in Hornepayne, Ontario. WRFP operates a random length sawmill in White River, Ontario. Both HPL and WRFP operate exclusively in the forestry and manufacturing industries.

WRC also holds an indirect interest in Hornepayne Power which operates a cogeneration plant in Hornepayne, Ontario.

STRUCTURE, ACTIVITIES, AND SUPPLY CHAINS

The forests that HPL and WRFP source their timber from are managed, audited, and certified by independent third parties. Both HPL and WRFP produce their lumber from Eastern White Spruce, Black Spruce, and Jackpine. The lumber from HPL and WRFP is sold directly to retailers. HPL and WRFP also coordinate the transportation of the lumber through third party transportation services. The majority of equipment and tools used in the manufacturing process is sourced by HPL and WRFP in Canada.

WRC shares its forest resources with many other forest users, and it strives to work cooperatively with those who have a stake in the forest and to conserve forest resources for future generations. WRC is committed to certification for its managed timberlands through credible certification options. Both HPL and WRFP have been, and remain, supporters of the Forest Stewardship Council® (FSC®) certification standards, both in terms of responsible forest management certification and in chain the of custody certification.

Hornepayne Power’s cogeneration plant uses the biomass residuals from HPL and WRFP, along with biomass residuals from other logging contractors and sawmills in the region, to generate electricity. Hydro One buys electricity from the plant, which goes into the grid. The plant also produces steam, which is used to power HPL’s dry kiln.

In the reporting year, WRC did not take direct steps to prevent and reduce the risk of forced labour or child labour is used at any step of the production of goods in Canada. It is in the process of assessing what steps may be appropriate.

POLICIES AND DUE DILIGENCE PROCESSES

WRC did not maintain policies or due diligence processes related to forced labour and/or child labour in the reporting year. It is in the process of assessing what policies and procedures may be appropriate.

FORCED LABOUR AND CHILD LABOUR RISKS

WRC has not started the process of identifying risks of forced labour and child labour in its activities and supply chain.

REMEDIATION MEASURES

WRC has not identified any forced labour or child labour in its activities or supply chains. As such, it has not undertaken any remediation measures.

REMEDIATION OF LOSS OF INCOME

WRC has not identified any loss of income to vulnerable families resulting from measures taken to eliminate the use of forced labour or child labour in its activities and supply chains. As such, it has not undertaken any remediation measures for loss of income.

TRAINING PROVIDED TO EMPLOYEES

In the reporting year, WRC did not provide training to its employees specific to forced labour or child labour. Moving forward, it will be assessing what related training may be appropriate.


ASSESSING EFFECTIVENESS

WRC does not currently have specific policies and procedures in place to assess its effectiveness in reducing and/or eliminating the risk of child labour and/or forced labour in its activities and supply chain.

APPROVAL AND 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 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

IN WITNESS WHEREOF the authorized signing officer(s) of WRC Timber Inc. have executed this report as of the effective date of the signatures set out below.

SIGNED)	
)	WRC TIMBER INC.
)	
May 29, 2024)	Per: 
_____)	Name: Thomas R. Kennedy
Date)	Title: Director
)	I have authority to bind WRC Timber Inc.