

Fighting Against Forced Labour and Child Labour in Supply Chains Act

Disclosure Report

I. Disclosing Entity

This disclosure report is submitted by **Weavexx, LLC** (hereinafter referred to as “Weavexx”).

II. About this Disclosure Report

This disclosure report is submitted in accordance with Canada’s *Fighting Against Forced Labour and Child Labour in Supply Chains Act* (Bill S-211) and guidance issued by Public Safety Canada.

III. Introduction

WEAVEXX and its affiliated companies are committed to integrity, respect, and fair dealing in their business activities. This commitment includes the fair and equitable treatment of employees, business partners (and their employees), members of the community, and all other stakeholders with whom we engage. WEAVEXX does not tolerate forced labour, child labour, or any other human rights abuses in any its business activities.

IV. Business Structure, Activities, and Supply Chains

WEAVEXX is a manufacturer and supplier of machine clothing (forming fabrics, press felts, and dying fabrics) for paper, tissue, and board machines. These fabrics and woven materials are used to hold the paper pulp as it is processed through the machine. As part of its business activities, WEAVEXX sells goods inside and outside of Canada.

WEAVEXX is incorporated in Delaware and headquartered in Raleigh, North Carolina. It also has a facility in Starkville, Mississippi. WEAVEXX has approximately 225 employees.

WEAVEXX maintains a global supply chain that includes:

- Suppliers of direct materials (*e.g.*, polyester monofilaments and fiber supplies), manufacturing materials, and packaging materials. These materials are procured from affiliated WEAVEXX entities as well as non-affiliated third-party vendors and suppliers located all across the world including United States, Canada, and Germany.
- Suppliers of indirect goods and services including professional services, facilities, office supplies, and sales and marketing services.
- Customers located in the United States and Canada.

V. Policies Related to Forced Labour and Child Labour

WEAVEXX’s *Code of Conduct and Ethics* requires all personnel to adhere to the highest levels of ethics and integrity in all of their business activities. This includes compliance with applicable laws and legal standards, and the responsibility to maintain a safe, healthy, and respectful work environment. A fundamental principal of the *Code of Conduct and Ethics* is that personnel treat each other with respect,

dignity, and fairness – and to protect human rights in their daily business activities. Employees receive a copy of the *Code of Conduct and Ethics* when onboarded to the company and are expected to comply with the standards of conduct articulated therein. Moreover, employees receive periodic training and communications explaining their responsibility to act ethically and in compliance with the law.

WEAVEXX's commitment to protecting human rights is further demonstrated in the company's *Supplier Code of Conduct and Ethics Policy* and *Supplier Code of Conduct and Ethics*. The *Supplier Code of Conduct and Ethics*, which addresses a range of topics including human rights and fair working conditions, sets forth the minimum requirements for any third-party vendor or supplier engaged to transact business with WEAVEXX. For example, the Code specifically requires WEAVEXX vendors or suppliers to refrain from engaging in, or benefiting from, any form of forced, involuntary or child labour. These vendors and suppliers are also required to acknowledge and adhere to the principles articulated in the *Supplier Code of Conduct and Ethics*. This includes the commitment that these vendors or suppliers request the same, or similar, compliance standards from their business partners. WEAVEXX has developed a *Supplier Code of Conduct and Ethics* training module which is available to third-party vendors and suppliers on a voluntary basis.

To build a more transparent, safe, and ethical workplace, WEAVEXX has also implemented a highly secure whistleblowing system known as Speak Up!. This online reporting tool allows employees and third-party business partners to report instances of actual or suspected misconduct to Group Compliance in a safe and confidential manner. The Speak Up! reporting tool can be accessed online and by QR code.

VI. Due Diligence Process Related to Forced Labour and Child Labour

Vendors and suppliers are screened through a prequalification and onboarding process. In some instances, there will also be an on-site audit of the vendor or supplier. The results of the vendor and supplier evaluation will determine whether the potential business partner may be engaged and/or whether any additional controls are needed to mitigate any risk.

VII. Risk of Forced Labour and Child Labour

WEAVEXX evaluates supplier compliance risk, which considers the risk of forced labour and child labour, as part of its annual Risk Management review. In addition, WEAVEXX uses the information collected from its supplier prequalification and onboarding processes to identify risks of forced labour and child labour in its supply chain. WEAVEXX also considers the regions where its third-party vendors and suppliers are located, the materials and products they source, and their relationship history to assess relevant risk. In some cases, WEAVEXX will conduct on-site audits of vendor or supplier facilities.

VIII. Remediation

WEAVEXX has not identified any instances of forced labour or child labour in its business activities or supply chains. Accordingly, WEAVEXX has not had cause to implement any forced labour or child labour related remediation measures.

IX. Training

WEAVEXX provides training on the *Code of Conduct and Ethics*. This training module addresses human rights issues and the importance of treating employees and third-party business partners fairly and with integrity and respect. WEAVEXX tracks completion of this training on a regular basis.

WEAVEXX has also developed a training module on the *Supplier Code of Conduct and Ethics*, which is available to employees and third-party vendors and suppliers on a voluntary basis.

X. Assessing Effectiveness

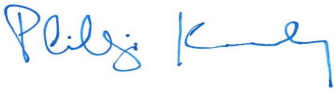
WEAVEXX has developed and tracks metrics designed to assess its effectiveness in mitigating the risk of forced labour and child labour in its supply chain. This includes tracking employee training completion on a monthly basis. In addition, WEAVEXX tracks the number of reports related to supplier-related misconduct (including the use of forced and child labour) through Speak Up! and other internal reporting tools.

XI. Approval

This report has been approved by the Board of Directors of **WEAVEXX, LLC** in accordance with section 11(4)(a) of the *Fighting Against Forced Labour and Child Labour in Supply Chains Act* (“Act”).

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.

Dated: 30 May 2024

Signature:  _____

Full Name: Phillip B. Kennedy

Title: Secretary