

# Columbia Kitchen Cabinets

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2024 Report under the *Fighting Against Forced Labour and Child Labour in Supply Chains Act*

**May 31, 2025**

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## Background

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This report is submitted on behalf of Columbia Kitchen Cabinets Ltd. ("Columbia Kitchen Cabinets," "we," "us," or "our") pursuant to Section 11(1) of the Fighting Against Forced Labour and Child Labour in Supply Chains Act ("Bill S-211" or the "Act"), and covers our most recently completed fiscal year from August 1, 2023, to July 31, 2024. This is the second report submitted by Columbia Kitchen Cabinets under the Act.

Forced labour is a pervasive issue, present in nearly every country and across all sectors. According to estimates from the International Labour Organization, approximately 28 million people worldwide are victims of forced labour. These risks are particularly prevalent within global supply chains. Consequently, there is an ongoing concern that goods imported into and distributed within Canada may have been produced using forced or child labour. Businesses and government institutions operating in Canada have a clear responsibility to identify, address, and eliminate exploitative labour practices from their supply chains. Based on the Act, there are eight mandatory areas that must be reported:

1. The steps the entity has taken during its previous financial year to prevent and reduce the risk that forced labour or child labour is used at any step of the production of goods in Canada or elsewhere by the entity or of goods imported into Canada by the entity.
2. Its structure, activities, and supply chain(s).
3. Its policies and due diligence processes in relation to forced labour and child labour.
4. The parts of its business(es) and supply chain(s) that carry a risk of forced labour or child labour being used and the steps it has taken to assess and manage that risk.
5. Any measures taken to remediate any forced labour or child labour.
6. Any measures taken to remediate the loss of income to the most vulnerable families that results from any measure taken to eliminate the use of forced labour or child labour in its activities and supply chains.
7. The training provided to employees on forced labour and child labour.
8. How the entity assesses its effectiveness in ensuring that forced labour and child labour are not being used in its business(es) and supply chain(s).

# 1. Steps Taken by Entity

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To address the requirements of Bill S-211, the following steps have been undertaken by Columbia Kitchen Cabinets to identify and manage risks associated with forced labour and child labour in our businesses and supply chains:

## Step 1 – Assessing Applicability

The process began with a planning meeting involving representatives from Columbia Kitchen Cabinets' accounting and production departments. During this meeting, the applicability of the Act was thoroughly reviewed. Initial actions included identifying key stakeholders, management, and relevant personnel; gathering necessary documentation; and developing a draft timeline to guide the subsequent analysis and preparation of this report.

## Step 2 – Scope Identification

Columbia Kitchen Cabinets' management conducted a comprehensive review to identify relevant business areas. This included analyzing financial statements and other data to understand transaction streams and supply chain-related accounts, both at the consolidated company level and at the level of individual business entities. We documented our business structure and operations and reviewed existing policies and procedures relevant to identifying and mitigating risks associated with forced labour and child labour within our operations and the broader supply chain.

## Step 3 – Risk Assessment

Management conducted a detailed review of supply chain data, including an analysis of suppliers, expenditures, and product categories across various jurisdictions. A preliminary review was performed to identify significant suppliers operating in regions considered to be high-risk. This informed a comprehensive risk assessment, which categorized suppliers and activities into Low, Medium, and High-risk levels with respect to exposure to forced labour and child labour. Key factors considered in the assessment included the significance of expenditure, the type of goods procured, and the geographic origin of those goods.

## Step 4 – Remediation and Action Plans

Based on the results of our initial risk assessment (please refer to Section 4 for details), four suppliers were identified as posing a medium risk with the remainder all at low risk. As a result, there is no need to develop or implement any remediation effort.

## 2. Structure, Activities and Supply Chains

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This Bill S-211 report is submitted on behalf of Columbia Kitchen Cabinets Ltd., a privately owned company based in Abbotsford, British Columbia. Columbia Kitchen Cabinets is engaged in the manufacturing of kitchen cabinetry and vanities.

In fiscal year 2024, Columbia Kitchen Cabinets met two of the three thresholds outlined in the Fighting Against Forced Labour and Child Labour in Supply Chains Act—namely, total assets exceeding \$20 million and annual revenue exceeding \$40 million. Columbia Kitchen Cabinets sources its entire supply chain from Canada and the United States, regions generally considered to present a lower risk of forced or child labour.

For the 2024 fiscal year, the company's supply chain expenditures were primarily allocated across the following categories:

- Wood/Laminate (62%)
- Paint Supplies (13%)
- Packaging Materials (5%)
- Operating Supplies (4%)
- Hardware (12%)
- Office Supplies (0.9%)
- Parts & Materials (2%)
- Glass (0.1%)

### 3. Policies & Due Diligence

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Columbia Kitchen Cabinets continues to develop formal policies and due diligence procedures aimed at mitigating the risks of forced and child labour within its operations and supply chain. As part of our ongoing efforts, we regularly review our procurement practices to uphold the integrity of our due diligence processes, including raising awareness among suppliers.

The following policies and procedures are currently in place to support ethical procurement:

1. Columbia Kitchen Cabinets maintains a small procurement team that has built strong, lasting connections with vendors and sources very particular products to ensure the quality of our products.
2. Code of Conduct – Columbia Kitchen Cabinets has an established code of conduct that requires sign-off by employees during the onboarding process.

### 4. Risk Assessment

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To manage the risks associated with forced and child labour, Columbia Kitchen Cabinets applies a systematic risk classification process, categorizing suppliers as low, medium, or high risk. This assessment is based on a combination of factors, including the origin of goods, the category of goods, and the significance of spend.

#### Origin of Goods

All Columbia Kitchen Cabinets suppliers are located in Canada and the United States—countries which are generally recognized as low-risk jurisdictions for forced and child labour. Risk assessments regarding country of origin are informed by publicly available resources, including data from the U.S. Department of Labor’s List of Goods Produced by Child Labor or Forced Labor:

<https://www.dol.gov/agencies/ilab/reports/child-labor/list-of-goods/supply-chains>

#### Category of Goods

Each category of goods is assessed individually to determine its relative risk, considering both the nature of the goods and their source:

- Wood and Laminate – These materials account for over 62% of Columbia Kitchen Cabinets’ total supply chain expenditures. While the U.S. Department of Labor identifies wood and laminate as high-risk categories globally, this designation applies specifically to certain high-risk countries. Since Columbia Kitchen Cabinets sources all wood and laminate domestically from within Canada, the associated risk is assessed as low.
- Glass – Similarly, glass is considered a high-risk good when imported from certain countries. However, all glass used by Columbia Kitchen Cabinets is sourced from within Canada and is therefore also assessed as low risk.

The categorization of goods is guided by risk data provided by the U.S. Department of Labor:

<https://www.dol.gov/agencies/ilab/reports/child-labor/list-of-goods>

### **Spend**

To assess the significance of supply chain expenditures—and the associated risk—Columbia Kitchen Cabinets employs a stratified spend analysis, categorizing vendors into three risk levels based on their proportion of total annual supply chain spend. This methodology allows management to allocate oversight and resources more effectively, ensuring that suppliers with higher financial impact receive appropriate scrutiny.

The spend-based risk classifications are as follows

- Low Risk: Vendors accounting for 2% or less of total annual supply chain spend
- Medium Risk: Vendors accounting for more than 2% and up to 3.5% of total spend
- High Risk: Vendors accounting for 3.5% or more of total spend

### **Other factors**

In addition to spend, several qualitative factors are considered to further refine the overall risk assessment. These include:

- Small Local Business (Low Risk): Locally operated businesses with transparent and traceable supply chains, typically engaged in community-based operations.
- Publicly Traded Company (Low Risk): Suppliers that are part of publicly listed entities, which are subject to stringent disclosure and reporting requirements promoting transparency and accountability.
- Long-term Partner (Low Risk): Suppliers with a longstanding relationship with Columbia Kitchen Cabinets, consistently demonstrating ethical labour practices.
- Suppliers with Unionized Workforces (Low Risk): Suppliers whose employees are represented by labour unions, which helps ensure adherence to workers' rights and fair labour standards.
- Geographic Sourcing (Low Risk): All wood, laminate, and glass materials are sourced exclusively from Canada and the United States, both of which are considered low-risk jurisdictions for forced and child labour.

### **Conclusion of Risk Assessment**

As part of this comprehensive evaluation, management reviewed over 250 suppliers. Based on the established criteria—including origin of goods, category of goods, financial significance, and additional risk factors—all suppliers were assessed to pose a low risk of engaging in forced or child labour.

## **5. Remediation - Forced & Child Labour**

To date, Columbia Kitchen Cabinets has not identified any instances of forced or child labour within its operations or supply chain. Based on the comprehensive risk assessment and analysis outlined in this report, no high-risk exposures have been detected. As a result, no remediation action is necessary currently.

However, should Columbia Kitchen Cabinets become aware of any concerns related to labour practices

within its supply chain, we are committed to responding promptly and responsibly. This would include engaging in dialogue with the relevant party, conducting a thorough investigation into the facts and circumstances, and working collaboratively to develop and implement appropriate corrective actions to address and resolve the issue.

## 6. Remediation - Vulnerable Family Income Loss

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As noted above, Columbia Kitchen Cabinets has not identified any instances of forced or child labour. Accordingly, remediation measures have not been required.

## 7. Awareness Training

Columbia Kitchen Cabinets is committed to increasing employee awareness and understanding of the risks associated with child and forced labour. By July 31, 2025, internal training will be provided to all employees, focusing on how to identify, assess, and respond to these risks within the company's operations and supply chains.

Recognizing the importance of vigilance at all levels of the organization, Columbia Kitchen Cabinets is also exploring opportunities to integrate this training into the employee onboarding process and align it with the principles outlined in the company's existing Code of Conduct.

## 8. Ensuring Effectiveness of Processes

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### Assessment and Ongoing Commitment

On May 31, 2025, Columbia Kitchen Cabinets completed and submitted its assessment in accordance with Bill S-211. We remain committed to the continuous review and enhancement of our internal processes, policies, and practices, including the evaluation of our suppliers. This ongoing commitment supports our alignment with industry-leading standards and helps mitigate risks related to forced labor and child labor.

### Policies and Procedures

As of July 31, 2025, Columbia Kitchen Cabinets will conduct a thorough review of its existing policies and procedures to identify and address any gaps. This review aims to further strengthen our ability to prevent and reduce the risk of forced and child labor within our operations and supply chains, both now and in the future.

A forced and child labor clause has been added to our existing Code of Conduct. This clause clearly states our zero-tolerance stance toward any use of forced or child labor. We have established a process for regular review and staff acknowledgment of the Code of Conduct to ensure adherence to company standards.



### **Supplier Activities**

Supplier Agreements: Columbia Kitchen Cabinets will include a zero-tolerance clause on forced and child labor in all new supplier agreements. This clause will outline clear consequences and disciplinary actions should any instance of forced or child labor be reported or discovered.

Supplier Monitoring: Key suppliers will undergo annual performance reviews to assess compliance. Review schedules and records will be maintained in a centralized system, ensuring accountability and consistent follow-up by Columbia Kitchen Cabinets management.

## 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 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 Columbia Kitchen Cabinets Lumber Group. This report covers financial year 2024 and applies to *Columbia Kitchen Cabinets* in terms of the Act.

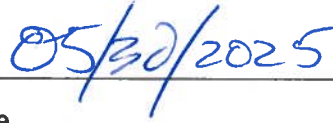
Ryan Loewen



Full Name

Signature

CEO



Title

Date