

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 December 31, 2025

1. INTRODUCTION

This is a statement made by Kim Norris, Northland Forest Products Ltd. (NFPL) Health and Safety Coordinator, on behalf of NFPL, in respect of the Act, as referenced above.

Northland Forest Products Ltd. is an incorporated company pursuant to the laws of Canada located in Fort McMurray, Alberta, business number 103930707. Financial reporting year ending October 31, 2025.

2. REPORTING ENTITY

This report is being filed on behalf of Northland Forest Products Ltd. with no subsidiaries; a place of business in Canada with assets in Canada that meet the criteria of an entity for the purposes of the Act.

3. STRUCTURE, ACTIVITIES AND SUPPLY CHAINS

Northland Forest Products Ltd. is a family run sawmill located a few minutes north of Fort McMurray, Alberta. The chain of command stems from Senior management, Middle managers, Supervisors to workers with approximately 60 permanent full-time positions in addition to seasonal contract work for logging, loading, log hauling, planting and silviculture.

NFPL operates primarily in the forestry industry, producing and supplying high-quality lumber products. Our supply chain spans from forest management, logging, loading and hauling to processing of logs and the maintenance and incoming supplies associated with operating a sawmill. We source logs from Crown forests, public and private lands and are committed to sustainable and ethical sourcing practices. Wood material delivered to NFPL originates from the following supply areas:

- Central and Northern Alberta, Canada
- Excised areas from FMU's: A16, L1, L3, L8, L11
- Private and crown lands within the following counties/municipal districts: Athabasca, Lac La Biche, Wood Buffalo

Specific locations are known through source IDs, commercial timber permits and TM9 tickets, and tracked through NFPL's computerized Yard Boss System.

NFPL partner and group associations include:

- Alberta Forest Products Association (AFPA) – Member in good standing, board level participation
- Canadian Wood Council (CWC) – Member in good standing
- FP Innovations – Member in good standing
- Forest Stewardship Council® (FSC®) – Committed to comply with
 - FSC® National Forest Stewardship Standard of Canada - FSC-STD-CAN-01-2018
 - Requirements for Sourcing FSC Controlled Wood - FSC-STD-40-005
 - Chain of Custody Certification - FSC-STD-40-004
 - Forest Management Groups Standard- FSC-STD-30-005 V2-0
 - All other applicable certification requirements related to compliance with the above Standards

Distribution of wood products from NFPL occurs through FOB shipping, which means the buyer takes responsibility at the point of origin of the freight.

NFPL is committed to purchasing consumables from ethically responsible suppliers locally where possible and otherwise sourcing from Canadian suppliers and distributors.

Canadian Statement Against Forced Labour and Child Labour in Supply Chains

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. Northland Forest Products Ltd. has incorporated best practices and implemented policies to combat forced labour and child labour within our operations and supply chains. These include:

- A written Supplier Code of Conduct that prohibits the use of forced labour and child labour.
- FSC®(FSC-C146457) Certification
 - The Forest Stewardship Council® (FSC®) is an international non-profit, multi-stakeholder organization established in 1993 to promote responsible management of the world's forests. The FSC does this by setting strict environmental and social standards which are then used to evaluate forests. Fibre from those certified forests is tracked all the way to the store through the FSC Chain of Custody system. FSC-certified wood, paper and other forest products are then sold with the FSC label by certified companies in the marketplace.
 - FSC certificate holders must demonstrate conformance to the FSC Core Labour Requirements through annual auditing processes, which cover the abolition of child labor, elimination of all forms of forced or compulsory labor, elimination of discrimination with respect to employment and occupation, upholding freedom of association, and the effective recognition of the right to collective bargaining.
- A public statement of commitment to ILO Core Labour Requirements is posted on the NFPL website.
- A whistleblowing policy that encourages employees and stakeholders to report any concerns related to forced labour or child labour without fear of retaliation.

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

Based on the location, type of work and other relevant factors, our business carries low to no risk of forced labour and/or child labour outside of unmapped supply chains. To mitigate risks, we engage with local NGOs and labour organizations to monitor conditions and practices.

6. MEASURES TAKEN TO REMEDIATE FORCED LABOUR AND CHILD LABOUR

Where the use of forced labour and/or child labour is identified or credibly suspected to have occurred within NFPL's supply chain, NFPL agents and employees will:

- a) Immediately cease use of the associated products and terminate contracts with non-compliant suppliers.
- b) Report the concerns to relevant authorities or agencies,
- c) Address further next steps and remedial actions to be determined by Senior Leadership.
- d) Collaborate with local authorities to address and resolve the underlying issues.

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

NFPL endorses human rights in alignment with FSC's mission to advance responsible forest management in social, environmental, and economic dimensions. Studies indicate that the FSC's social impact extends beyond merely preventing human rights violations, actively promoting additional social and economic advantages for workers, local communities, and indigenous peoples.

As the risk of forced and child labour has been assessed at no risk, or very low outside of unmapped supply chains, no additional measures beyond those stated above have been taken to remediate the loss of income for vulnerable families.

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

Existing training takes place to be able to meet commitments to ILO labour requirements and FSC Standards.

Northland Forest Products Ltd. plans to conduct internal training sessions for employees at all levels, focusing on:

- Recognizing signs of forced labour and child labour.
- Understanding our policies and reporting mechanisms.
- Engaging suppliers and stakeholders in promoting ethical practices.

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

We assess our effectiveness through:

- Annual reviews of our supply chain practices and audit results.
- Tracking and analyzing reports from our whistleblowing system.
- Regularly updating our policies and procedures based on feedback and new information.

ATTESTATION

This report has been approved by the Board of Directors of Northland Forest Products Ltd. on its own behalf and on behalf of the other reporting entities and will be submitted through the Canada Public Safety submission portal. 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 and officer of Northland Forest Products Ltd., and not in my personal capacity.

Signature: _____

Name: Howard Ewashko

Title: President

I have authority to bind Northland Forest Products Ltd.

Date: May 1, 2025