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Canadian Statement Against Forced Labour and Child Labour in Supply Chains

Vanderwell Contractors (1971) Ltd.

Reporting Period: October 1, 2023 – September 30, 2024

This statement covers the activities of Vanderwell Contractors (1971) Ltd. (**Vanderwell**) (ACAN 2022192807) for our corporate year ending September 30, 2024.

This is Vanderwell's second modern slavery report under the 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"). This report outlines the actions Vanderwell has taken to assess and address modern slavery risks in their operations and supply chains.

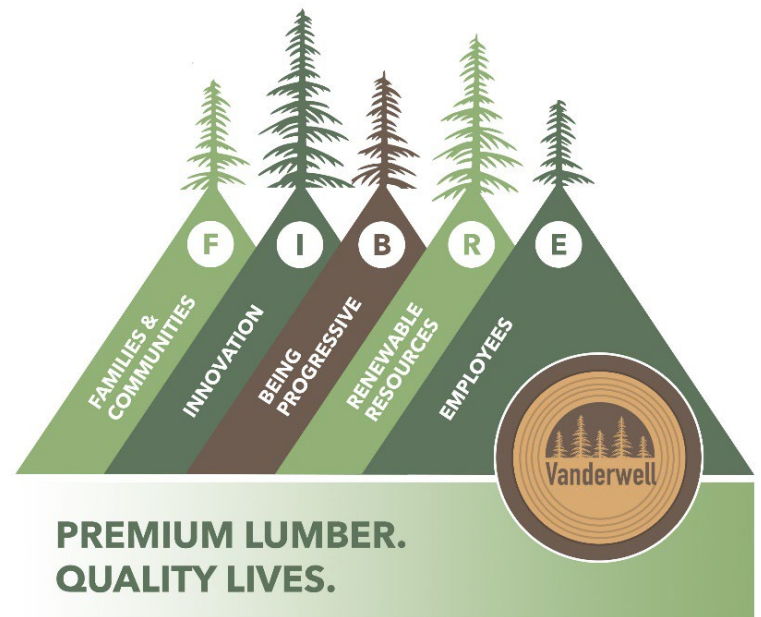
This modern slavery report has been approved by Vanderwell's Board of Directors.

Introduction

Vanderwell is committed to conducting business responsibly and ethically. The company plans to work towards fully understanding forced labour and child labour risks in their operations and supply chains. Vanderwell would like to ensure that no form of forced labour or child labour is present in their business.

Structure and history

Vanderwell is a private, family-owned company headquartered in the province of Alberta. The physical address is 44061 West Mitsue Industrial Road, Slave Lake, Alberta. The company owns a modern sawmill, planer mill, and wood pellet plant which are all housed at a single location. The facility produces dimensional lumber, wood pellets and shavings for wholesale customers, and wood chips for pulp mills. The company has operated consistently over the past 80+ years, with current production being over 120 million board feet of lumber per year. The operation employs about 165 employees as well as contractors.



Vanderwell values

Vanderwell's promise is to produce the highest-quality, premium lumber that transforms houses into beautiful homes, while partnering with our employees and communities to build meaningful and quality lives.

Vanderwell's core values are headlined by the letters in the word FIBRE:

F amilies and communities:	Helping our families and communities ensures we all succeed.
I nnovation:	Innovation guides the future.
B eing progressive:	Business practices must be sustainable and responsible, in a way that balances ecological, economic and social needs.
R enewable resources:	Forests must be safeguarded for future generations.
E mployees:	The health and safety of our employees is top priority.

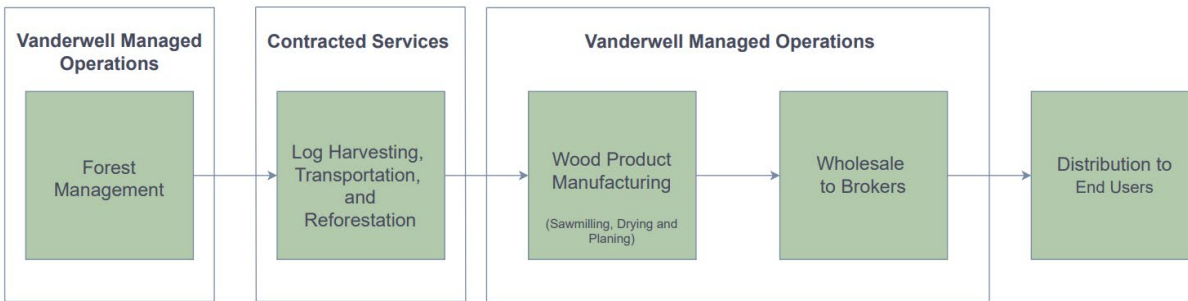
Vanderwell operations

Vanderwell is part of Canada's forest manufacturing industry. The company's core product, being dimensional lumber is traditionally used in the home building and construction industry.

The primary raw material used to manufacture products (lumber, wood pellets, shavings, chips and bark) at Vanderwell, is their timber supply. One hundred percent of Vanderwell's timber supply is sourced in Alberta, Canada.

The company harvests a combination of its timber off privately owned land and crown owned land, which is managed through provincial government approved tenure. The acquisition of timber inventory (purchasing, harvesting and delivery) accounts for approximately 40% of Vanderwell's annual payables.

Vanderwell's supply chain for its operations is as follows:



Vanderwell's top ten suppliers are based in the following regions:

- Canada
- United States

International suppliers provide plant equipment, parts, and technical services. Vanderwell prioritizes sourcing equipment and services from Canadian suppliers whenever possible.

Vanderwell employs approximately 165 employees. All employees are Canadian citizens, permanent residents or have open Canadian work permits. Vanderwell conducts the majority of its recruitment in-house. Recruitment agencies are rarely contracted and only for senior management positions. Vanderwell has a policy to only employ individuals over 18 years of age on a full-time, permanent basis. Working conditions within Vanderwell's manufacturing operations are compliant with and often exceed *Alberta Occupational Health and Safety*, and *Alberta Employment Standards* requirements. Vanderwell's workforce is non-unionized. Employment relationships are governed by individual employment contracts.

Managing forced labour and child labour risks

Using the guidance outlined in the *Fighting Against Forced Labour and Child Labour in Supply Chains Act* (questionnaire, 8.1), Vanderwell is currently in the process of assessing the risks associated with our operations and supply chains as follows:

Sector and industry:

The wood products manufacturing industry within Canada is considered by Vanderwell to be low risk. Organizations within the industry produce wood products at mills in Canada with timber grown and harvested in Canada.

Type of products:

All goods manufactured within Canada have been assessed as low risk for forced labour and child labour due to Canada's regulatory framework.

Location of operations:

All of Vanderwell's forestry and manufacturing activities are conducted within Alberta, Canada and have little risk of forced labour or child labour.

Types of products sourced:	Plant equipment, parts and technical services procured internationally are expected to be low risk, as these products / services have specific technical requirements and require a skilled work force. Therefore, these products are less likely to be subject to forced labour or child labour risks.
Raw materials:	One hundred percent of Vanderwell's timber supply is sourced from Alberta, Canada.
Location of suppliers:	The company's tier one suppliers are in countries with low risk of modern slavery. No geographic risks are currently identified. However, further investigation is required for tier two and three suppliers.
Contracted labour:	Subcontracted, contracted, or outsourced labour is within Canada and subject to Canadian labour standards and safety regulations.
Migrant labour:	As of current, Vanderwell only employs individuals with open Canadian work permits.
Forced labour:	No forced labour risks are currently known within Vanderwell's manufacturing operations.
Child labour:	No child labour risks are currently known within Vanderwell's manufacturing operations.
Specific entity:	No entity related risks are currently known with any supplier.

Although Vanderwell is still in the process of assessing their operations and supply chains, the company suspects there is low potential for forced labour and child labour violations. Vanderwell acknowledges that further action is required to assess the risks and this will be undertaken over the coming years.

Actions to assess and address risks

Vanderwell understands the importance of working collaboratively with employees, suppliers, and the broader industry to combat forced labour and child labour. Vanderwell has trained employees that make purchasing decisions on these issues. In the future, Vanderwell will clearly communicate and document the company's expectations to suppliers to uphold the Act.

Vanderwell recognizes that the identification and mitigation of risks in our operation and supply chains will be an ongoing effort. The company will endeavour to build awareness and internal processes across the business. Vanderwell has always and will continue to expect employees to be lawful, ethical, and responsible when dealing with the company's finances, products, partnerships, and public image.

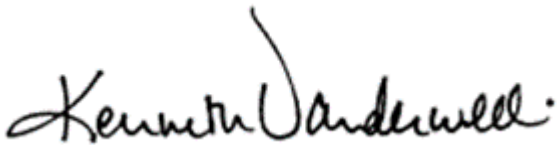
Assessing effectiveness

Vanderwell's 2024 reporting period continued to focus on developing an understanding of forced labour and child labour risks. The company continues to consider possible actions around prevention and remediation for the 2025 reporting period. Once an action plan has been fully developed and implemented, the company will be able to review the outcomes and effectiveness of the plan.

Attestation

This 2024 Statement Against Forced Labour and Child Labour in Supply Chains has been approved by Vanderwell Contractors (1971) Ltd.'s Board of Directors on its own behalf.

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. For clarity, I am providing this attestation in my capacity as a Director and Owner of Vanderwell, and not in my personal capacity.



Name: Kenneth Vanderwell

Title: President

I have authority to bind Vanderwell Contractors (1971) Ltd.

Date: May 14, 2025