

Joint Report by Carrier Lumber Ltd., Carrier Forest Products Ltd. and 675653 B.C. Ltd.

Fighting Against Forced Labour and Child Labour in Supply Chains Act (the “Act”)

For the Financial Year Ended July 31, 2025

Published May 28, 2026

ABOUT THIS REPORT

Carrier Lumber Ltd., Carrier Forest Products Ltd. and 675653 B.C. Ltd. (the “**Companies**”) jointly submit this report (the “**Report**”) in accordance with Section 11(1) of Canada’s *Fighting Against Forced Labour and Child Labour in Supply Chains Act* (the “**Act**”) for the financial year ended July 31, 2025.

The Companies are committed to promoting human rights in all aspects of our businesses, with a strong focus on advancing labour practices that promote the health, safety and dignity of our employees, contractors, suppliers and business partners. Specifically, the Companies strongly oppose forced labour and child labour.

The Report outlines the Companies’ actions to identify any forced labour or child labour risks related to our operations and describes the policies and procedures the Companies have in place to mitigate these potential risks in our businesses and supply chains.

ABOUT THE COMPANIES

Structure

The Companies are family-owned and operate in Canada in both British Columbia and in Saskatchewan. Carrier Lumber Ltd. (“**CL**”) was founded in 1951 by William Kordyban Sr., and the operations of Carrier Forest Products Ltd. (“**CFP**”) began in 1991. 675653 B.C. (“**675653**”) is a subsidiary of CL. Each company is deemed to be an entity under the Act and each is included in the Report. Each company is incorporated under the *Business Corporations Act* of British Columbia, and our structure is:

Entity	Location	Activities	% Owned
CL	Prince George, BC	Forestry and Lumber Manufacturing	n/a
	Prince George, BC	Cattle Ranching	
CFP	Big River, SK	Forestry and Lumber Manufacturing	n/a
	Prince George, BC	Metal Fabrication	
675653	Prince George, BC	Inactive	100% by CL

Activities

The primary business of CL and CFP is producing premium quality, random length, dimension and stud, SPF lumber and related by-products. Our partnerships with value added producers ensure all wood by-products are utilized. All by-products are sold into the Canadian market. The Companies’ finished lumber products are sold mainly into the North American market (CL 88%, CFP 100%), with the balance sold into the Pacific market.

Our metal fabrication activities are aimed at meeting the diverse needs of our customers across various industries. These products service the local Prince George market, with occasional sales to other locations within British Columbia.

We engage in responsible cattle ranching activities, guided by principles of animal welfare, sustainable land management, and contributions to a local and sustainable food supply for Canadians. All cattle are sold into the western Canadian market.

Supply Chain

All the Companies' operations are carried out in Canada in either British Columbia or Saskatchewan. Our supply chain is predominantly local to the province particular to operations, with the majority of goods and services procured from vendors and suppliers within the local cities and towns where we operate.

The supply chain inputs were mapped for each operation according to procurement from Canadian or US vendors, with the results summarized below.

Our forestry and lumber manufacturing raw materials are purchased almost 100% from Canadian vendors, for both CL and CFP, and include: labour and supplies for resource planning and layout, harvesting, hauling, silviculture and log purchases. The manufacturing process purchases are comprised of 99% (CL) and 100% (CFP) from Canadian vendors, with the balance from US vendors, and include: fuels, utilities, services and supplies, and labour. Transportation of finished lumber products is provided by Canadian and US rail companies, as well as by trucking companies.

CFP's metal fabrication operation's raw material is steel, which is purchased 100% from Canadian vendors. The manufacturing process purchases are 100% procured from Canadian vendors, and include: fuels, utilities, services and supplies, and labour.

CL's cattle ranching operation's 'raw material' input is cattle, which are purchased 100% from Canadian vendors. The cow-calf operation's purchases are 100% procured from Canadian vendors, and include: fuels, utilities, services and supplies, feed, and labour.

Although most software is purchased from Canadian sources, we estimate that about 7% is purchased from US sources.

POLICIES AND DUE DILIGENCE PROCESSES

Policies

The Companies have established policies to mitigate the risk of forced labour and child labour in their businesses and supply chains:

- Code of Conduct and Business Ethics Policy
- Harassment and Discrimination Policy
- Health and Safety Policy
- New and Young Workers
- Contractor Prequalification

Due Diligence Processes

The Companies mitigate the risk of forced labour and child labour in their businesses and supply chains through various processes:

- We are independently certified to the Sustainable Forestry Initiative (“SFI”) standard. SFI is an internationally recognized certification program for forest management and fiber sourcing that mandates regular third-party audits to ensure the Companies’ strict adherence to the SFI standards.
- We have implemented an Environmental Management System and adhere to the internationally recognized Chain of Custody (“CoC”) certification. CoC confirms and verifies that we can trace the flow of fiber from certified forests through to our finished end products.
- We comply with, or exceed the requirements set out in the internationally recognized Programme for the Endorsement of Forest Certification standard (“PEFC”).
- The Companies have developed, implemented and maintained comprehensive policies and procedures to achieve and maintain the above certifications, all of which are in line with the Act. Specifically, SFI mandates that organizations comply with all applicable social laws at the federal, provincial, state and local levels, and that they respect the rights of workers and labor representative in a manner that encompasses the intent of the International Labor Organization’s core conventions.
- The Companies’ recruitment and hiring process includes background checks and verification of the identity of prospective employees.
- The Companies’ robust onboarding process requires all new employees to receive mandatory training on all company policies, and to acknowledge that they have received and understand that training, and will comply with the Companies’ standards, all of which are in line with the Act. All changes in policies are made available to all employees in a timely manner. Ongoing training is required.
- The Companies expect their directors, officers and employees to comply with all policies, and especially with its Code of Conduct and Business Ethics policy. The Companies expect their contractors and suppliers to adhere to the spirit of this policy.
- The Companies review the Uyghur Forced Labor Prevention Act Entity List, published by US Customs and Border Protection, to help ensure that we do not associate with or obtain supplies or services from the entities listed.

RISK ASSESSMENT

The Companies have undertaken a mapping of our activities, a mapping of our supply chains, and have conducted an internal assessment of risk in relation to forced labour or child labour within our activities and supply chains. We have determined that both our internal and external risk to be very low, based on our geographical location and industries. The vast majority of our suppliers and service providers are located in Canada, with a few in the United States. Canada has national legislation and regulation prohibiting the use of forced labour and child labour. Our SFI, CoC and PEFC certifications ensure that a protocol is in place to bar the use of forced labour and child labour in the material input of our main operations.

We have identified possible risk in the following: the purchase of software from the United States, the purchase of specialty supplies from US vendors for our manufacturing processes, and the utilization of US rail companies in the transportation of our finished lumber products. The Companies acknowledge that further research is required to understand the risks of forced labour and child labour in these areas of our supply chains, but have determined that the risk is very low from US vendors.

REMEDIATION MEASURES

The Companies have not identified any forced labour or child labour in our activities or supply chains. Consequently, no remediation measures were required.

TRAINING

Key personnel regularly engage in specialized, mandatory training and professional development programs. The Companies track and document employee training within our internal systems. Legal experts and professional consultants are retained to provide insight into evolving regulatory and reporting requirements. In addition, we actively engage with industry associations, governmental agencies, First Nations, and non-profit organizations to build capacity and share best practices.

The Companies will continue to diligently train our employees, as well as monitor and address forced labour and child labour issues as outlined in the Act, through our policies and due diligence processes outlined above. We intend to continue to review and update our policies and procedures to ensure that our activities and supply chains are free from forced labour and child labour.

ASSESSING EFFECTIVENESS

Regular compliance audits of the Companies are carried out by external experts to ensure our ongoing SFI, CoC and PEFC certifications. The Companies promptly address any non-compliance with corrective actions.

The Companies strongly oppose forced labour and child labour. We are committed to ongoing improvement and refinement of our policies and due diligence, risk assessment, remediation measures and training; to ensure we address any reported issues of forced labour and child labour issues within our activities and supply chains.

APPROVAL AND ATTESTATION

In accordance with the requirements of the Act, and in particular section 11 thereof, we attest that we have reviewed the information contained in the Report for the entity or entities listed above. Based on our knowledge, and having exercised reasonable diligence, we 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.

ATTESTED this 28th day of May, 2026

WKordyban

William Kordyban
Director, Carrier Lumber Ltd.
Director, Carrier Forest Products Ltd.

I have the authority to bind Carrier Lumber Ltd.
and Carrier Forest Products Ltd.

EKordyban

Elizabeth Kordyban
Director, Carrier Lumber Ltd.
Director, Carrier Forest Products Ltd.

I have the authority to bind Carrier Lumber Ltd.
and Carrier Forest Products Ltd.