

Report on Fighting Against Forced Labour and Child Labour in Supply Chains Act

Modern Slavery Statement for the Financial Year Ending 2025

Pursuant to the Fighting Against Forced Labour and Child Labour in Supply Chains Act (Bill S-211)

This statement is issued in accordance with Bill S-211, An Act to enact the Fighting Against Forced Labour and Child Labour in Supply Chains Act and to amend the Customs Tariff. It outlines the measures undertaken by Enterprise Paper Holdings Ltd. and its subsidiaries (collectively, Enterprise Paper) to identify, prevent, and mitigate the risks of forced labour and child labour within our operations and supply chains during the financial year October 1, 2024, to September 30, 2025.

Enterprise Paper remains firmly committed to maintaining the highest ethical labour standards and ensuring that all business activities and supply chain operations are free from any form of forced labour and child labour.

Company Overview and Structure

Founded on January 26, 1973, Enterprise Paper operates as a wholesale distribution company headquartered in Coquitlam, British Columbia. The organization is comprised of the following entities:

- Enterprise Paper Co. Ltd. – Coquitlam, BC
- Frontier Packaging Ltd. (operating as Enterprise Paper – Calgary)
- Discovery Paper Company Limited (operating as Enterprise Paper – Edmonton)
- Blue Pacific Sales Ltd. (operating as Enterprise Paper – Parksville)

Supply Chain Overview

Enterprise Paper sources products through a diverse network of more than 300 suppliers, with approximately 80% of procurement volume concentrated among 20% of these suppliers.

Our sourcing distribution is as follows:

- 60% of products are sourced domestically within Canada
- 20% are sourced from the United States
- The remaining 20% are sourced from international markets, including Taiwan, Mexico, Central Europe countries and China.

Risk Assessment

During 2025, Enterprise Paper conducted a comprehensive internal risk assessment to evaluate the potential exposure to forced labour and child labour risks across its operations and supply chain.

The assessment identified the highest-risk areas among overseas suppliers, particularly in East Asia, including Taiwan, China, and South Korea, where labour standards and enforcement practices may vary significantly.

In contrast, suppliers located in Canada and the United States were assessed as low risk.

Actions Taken (2024–2025)

To address identified risks and strengthen accountability, Enterprise Paper implemented the following measures during the reporting period:

- Began implementing a comprehensive supplier onboarding framework aligned with our Supplier Code of Conduct
- Trained purchasers on vendor onboarding documentation requirements, ensuring accurate submission and compliance with internal procurement policies and procedures.
- Strengthened monitoring and investigation procedures and developed targeted supplier questionnaires for vendors operating in high-risk regions that might not meet the compliance requirements of Bill S-211.

Ongoing Commitments and Initiatives

Enterprise Paper recognizes that continuous improvement is essential and is actively advancing the following initiatives:

- Formalizing due diligence policies and procedures aimed at preventing forced labour and child labour
- Establishing structured supplier engagement processes to improve transparency and collaboration
- Developing Key Performance Indicators (KPIs) to measure the effectiveness of our efforts
- Designing and launching employee training programs focused on responsible sourcing and human rights awareness

Remediation Strategy

Enterprise Paper is currently developing formal remediation protocols to address any confirmed instances of forced labour or child labour identified within our operations or supply chain.

These protocols are intended to ensure timely, responsible, and effective corrective action where necessary.

Employee Training

Upon finalization of our updated policies and procedures, Enterprise Paper will implement a structured employee training program to promote awareness and compliance across the organization.

Training initiatives will include:

- Annual policy reviews to reinforce understanding of company standards and regulatory requirements
- Distribution of a comprehensive training handbook covering human rights, responsible sourcing, and ethical labour practices

This handbook will serve as a key reference resource to ensure employees remain informed and aligned with our commitment to ethical and responsible business conduct.

Measuring Effectiveness

To monitor progress and assess the effectiveness of our program, Enterprise Paper will develop a set of Key Performance Indicators (KPIs) to track performance over time.

These KPIs will include:

- Percentage of suppliers that have signed the Supplier Code of Conduct
- Percentage of employees trained on forced labour and child labour risks
- Percentage of high-risk suppliers assessed annually
- Percentage of suppliers trained on ethical sourcing and labour standards

These measures will support ongoing monitoring and continuous improvement efforts.

Approval and Attestation

In accordance with Section 11 of the Act, I hereby attest that I have reviewed the information contained in this statement for the entities listed above.

Based on my knowledge, and having exercised reasonable diligence, I confirm that the information provided is true, accurate, and complete in all material respects for the reporting year indicated.

This attestation is made in my capacity as a Director and Officer of Enterprise Paper Holdings Ltd., and not in a personal capacity.

David Leeson

President

May 25, 2025