



ANNUAL REPORT

PURPOSE

This annual report for the 2024 financial reporting year has been created by Hornepayne Lumber Limited Partnership (“HPL”) in order to meet its obligations and reporting requirements pursuant to the *Fighting Against Forced Labour and Child Labour in Supply Chains Act*, SC 2023, c 9 (the “Act”).

OUR COMMITMENT

HPL is strongly committed to preventing the risk that forced labor or child labor is used at any step of its production in Canada.

CATEGORIZATION, SECTOR, AND INDUSTRY

HPL is a partnership that operates a random length sawmill in Hornepayne, Ontario.

HPL operates exclusively in the forestry and manufacturing industries. Its mill site employs approximately 100 employees, and it also hires contractors and support services.

STRUCTURE, ACTIVITIES, AND SUPPLY CHAINS

The forests HPL sources its timber from are managed, audited, and certified by independent third parties. HPL’s lumber is produced from Jackpine, Eastern White Spruce, and Black Spruce. The lumber is sold directly to retailers, wholesalers, and distributors. Approximately 60% of the customers are in Canada and 40% are in the United States. HPL coordinates the transportation of lumber through third party transportation services. The majority of equipment and tools used in the manufacturing process is sourced in Canada.

Access to abundant, affordable, and secure sources is of critical importance. HPL shares its forest resources with many other forest users, and it works in cooperation with forest stakeholders and to conserve forest resources for future generations.

HPL is committed to certification for its managed timberlands through credible certification options. HPL is a supporter of the Forest Stewardship Council® (FSC®) certification standards, both in terms of responsible forest management certification and in the chain of custody certification.

POLICIES AND DUE DILIGENCE PROCESSES

HPL did not maintain policies or due diligence processes related to forced labor and/or child labor in 2024. It is in the process of assessing what policies and procedures may be appropriate. A main policy is being written.

FORCED LABOR AND CHILD LABOR RISKS

This year, the Company undertook a risk assessment on products identified by the International Labour Organization (ILO) as high-risk commodities and their country of origin to determine if any of these goods were being imported by the Company. Based on our review, the Company did not identify any high-risk products that are being imported into Canada at this time. Our Company continues to follow our policies related to the identification of risk to mitigate the purchase and import of high-risk products made with forced and child labor.

REMEDATION MEASURES

HPL has not identified any forced labor or child labor in its activities or supply chains. As such, it has not undertaken any remediation measures.

REMEDATION OF LOSS OF INCOME

The organization has not identified any loss of income to vulnerable families resulting from measures taken to eliminate the use of forced labor or child labor in its activities and supply chains. Therefore, it has not undertaken any remediation measures for loss of income.

TRAINING PROVIDED TO EMPLOYEES

In 2024, HPL did not provide training to its employees specific to forced labor or child labor. Moving forward, it will be assessing what related training may be appropriate.

ASSESSING EFFECTIVENESS

The partnership does not currently have specific policies and procedures in place to assess its effectiveness in reducing and/or eliminating the risk of child labor and/or forced labor in its activities and supply chain.

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 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.

IN WITNESS WHEREOF the authorized signing officer of Hornepayne Lumber Limited Partnership has executed this report as of the effective date of the signature below.

SIGNED

May 27, 2025

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HORNEPAYNE LUMBER LIMITED PARTNERSHIP

Per:

Name: Thomas R. Kennedy

Title: Director

I have authority to bind Hornepayne Lumber
Limited Partnership