
Bill S211 - The Fighting Against Forced Labour and Child Labour in Supply Chains Act – Report Requirement

Entity: **White Cap Supply Canada Inc.**

Business Number: **811465368**

Financial Reporting Year: **FY 2023 – January 30, 2023- January 28, 2024**

Submitted: **31 May 2024**

This Report details the actions initiated by White Cap Supply Canada Inc., doing business as White Cap in Canada (Business Number 811465368) in an effort to ensure slavery and human trafficking are not taking place in our supply chain or business. This annual report submission for the period of January 30th, 2023, through to January 28th, 2024 is not a revised version of a report already submitted this year, nor is it a joint report. White Cap Canada is not subject to reporting requirements under supply chain legislation in another jurisdiction.

Structure, Activities & Supply Chains

At White Cap we are committed to adhering to all of Canada's laws and regulations, including the Fighting Against Forced Labour and Child Labour in Supply Chains Act. White Cap has no child labour or forced labour in its operations, nor have we identified the use of child labour or forced labour in our supply chain. Should child labour or forced labour be identified, we would take prompt remedial action to address the concern.

Below is a list of steps we have taken in the previous financial year to prevent and reduce the risk that forced labour or child labour was used at any step of the production, selling, distributing, and importing of goods in Canada or outside of Canada.

- Mapping activities
- Mapping supply chains
- Conducting an internal assessment of risks of forced labour and/or child labour in the organization's activities and supply chains
- Contracting an external assessment of risks of forced labour and/or child labour in the organization's activities and supply chains
- Developing and implementing due diligence policies and processes for identifying, addressing and prohibiting the use of forced labour and/or child labour in the organization's activities and supply chains
- Requiring suppliers to have in place policies and procedures for identifying and prohibiting the use of forced labour and/or child labour in their activities and supply chains
- Auditing suppliers

White Cap Supply Canada Inc. is a corporation based out of Vaughan, ON; the business (Business Number: 811465368) is registered with the Province of Nova Scotia. Our parent company is “White Cap Supply Holdings, LLC” based out of Norcross, Georgia, USA, and has approximately 9,371 employees. White Cap Supply Canada Inc has 1 President, 6 Functional Directors (Operations, HR, Category Management, Finance, National Sales, Field Sales, and Purchasing) and 7 District Managers across the country. Currently White Cap Supply Canada has approximately 1110 employees in 8 Canadian provinces including BC, AB, SK, MB, ON, PEI, NS and NB. White Cap Supply Canada Inc. is an “entity” according to the Act as it is a Canadian business presence physically in Canada; does business in Canada and has assets in Canada. It has at least \$20 million in assets for at least one of its two most recent financial years, has generated at least \$40 million in revenue for at least one of its two most recent financial years, and employs an average of at least 250 employees for at least one of its two most recent financial years

Supply Chain & Operations

White Cap Supply Canada Inc is a construction specialty supply distribution company focusing on building materials, safety products, fasteners, tools and power tools. We collaborate with a diverse value chain of business partners in Canada, United States, South America, Europe and Asia. Key stakeholders from these locations support the distribution of over 95,000 SKUs to our 65+ locations across Canada.

Policies and Due Diligence Processes

White Cap Supply Canada Inc is committed to protecting human rights to create a safe and inclusive experience for all colleagues and workers across our value chain. Below is a list of due diligence processes we have implemented in relation to forced labour and/or child labour.

- Embedding responsible business conduct into policies and management systems
- Identifying and assessing adverse impacts in operations, supply chains and business relationships
- Tracking implementation and results

At White Cap we are committed to adhering to all of Canada’s laws and regulations, including the Fighting Against Forced Labour and Child Labour in Supply Chains Act. White Cap has no child labour or forced labour in its operations, nor have we identified the use of child labour or forced labour in our supply chain. Should child labour or forced labour be identified, we would take prompt remedial action to address the concern. White Cap Supply Holdings LLC Supplier Buyer Agreements “SBA” Terms and Conditions, Clause 5.4(f): “Neither Supplier’s manufacturing plants nor any subcontracted plants use government assigned labor or forced labor or workers who are under minimum working age requirements, and in no event under the age of 14”.

Test-Rite is our third party representative and are involved in everything from initial conversations and onboarding with potential vendors, product testing to P.O./Order management. The corporate social responsibility portion is covered in the onboarding of a vendor. Test-Rite does the audit and provides the report and it is then at our discretion what to accept or not. “Yes” Responses on the Audit are flagged for the following questions:

- “Is there any child labor or history child labor in factory?”
- “Is there any forced labor/prison labor in factory?”
- “Whether factory does not employ juvenile workers(16-18 years old). Juvenile workers shall be registered in local labor bureau and have a physical examination before working. The juvenile workers are not allowed to engage in the dangerous work or harmful to health or work in night shift

White Cap Supply Canada Inc has started the process of identifying risks, to further mitigate forced labour and child labour in our manufacturing supply chains and have identified in the below activities.

- The sector or industry it operates in
- The types of products it produces, purchases or distributes
- The locations of its activities, operations or factories
- The types of products it sources
- Tier one (direct) suppliers
- The use of forced labour
- The use of child labour

Remediation of any forced labour or child labour

We are not aware of any incidents of forced labour or child labour in our activities or supply chain in our past financial year, subject to the limitations of our risk identification activities. Accordingly, White Cap we have not had to take any remedial measures in response to incidents of forced labour or child labour. We will continue to review our due diligence process for the purposes of ensuring compliance with the Act.

Remediation of loss of income

We have not identified any loss of income to vulnerable families resulting from measures taken to eliminate the use of forced labour or child labour in our activities and supply chains.

Training

We have not provided training to employees on forced labour and/or child labour and have don't currently have policies and procedures in place to assess its effectiveness in ensuring that forced labour and child labour are not being used in its activities and supply chains.

Assessing Effectiveness

White Cap has not taken any actions to assess the effectiveness in preventing and reducing risks of forced and child labour in its activities and supply chains in the previous financial year. We are currently examining how best to conduct these assessments.

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 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.

Name: Vasken Altounian*
Title: President – Business Unit
Date: May 31, 2024

*I have the authority to bind White Cap Supply Canada Inc.