

## Decor Cabinets Ltd. Statement on the Prevention of Modern Slavery and Human Trafficking

At Decor Cabinets Ltd., we are committed to treating everyone affiliated with our company with dignity and respect. We explicitly prohibit all forms of modern slavery and human trafficking within our operations and our supply chain.

This document constitutes the first statement from Decor Cabinets Ltd. about our obligations, actions, and moral stance with Canada's Bill S-211: "Fighting Against Forced Labour and Child Labour in Supply Chains Act" for the reporting year ending December 31<sup>st</sup>, 2023. This statement communicates our policies, actions, and our due diligence obligations as they pertain to Bill S-211.

### Steps Taken

We have initiated two activities in our first reporting period to learn and understand the functions of our supply chain and the impact that effective supply chain management has on our own operations. These activities include:

- Developing a corporate policy for identifying, addressing, and prohibiting the use of forced labour, and/or child labour in our organization's activities and supply chains, and;
- Mapping our supply chain with our tier one suppliers as a foundation for future risk assessment and mitigation activities.

### Business Activities, Corporate Structure, and Supply Chains

Decor Cabinets Ltd. manufactures custom cabinetry for kitchens, bathrooms, and specialty rooms in Morden, Manitoba, Canada, and sells and distributes them across North America. Materials and products used in our manufacturing processes are sourced both domestically and internationally.

Decor Cabinets operates as a role-based organization with centralized leadership and a vertical hierarchical structure with clearly defined roles and decision-making authority. Decor Cabinets Ltd. employs approximately 530 diverse individuals from twenty-eight different countries in 2023.

### Decor's Policy – Business Conduct and Human Rights

We have developed a Human Rights Policy regarding our obligations under Bill S-211, our ethics and values as a business, and our due diligence processes with respect to modern forms of slavery. The due diligence processes included in our policy include:

- Identifying and assessing adverse impacts in our operations, supply chains, and business relationships;
- Communicating how impacts are addressed, and;
- Providing for and/or cooperating with remediation measures when appropriate.

### Risks of Modern Slavery and Human Trafficking

There are gaps in our risk identification and assessment processes with respect to Modern Slavery and Human Trafficking. We have conducted research on our industry, the specific materials used in our industry, and the material extraction locations where forced, or child labour may be at the highest risk. This research has not been compiled into assessment criteria, nor have risks of forced, or child labour been identified or remediated in our supply chain as of this reporting period.

### Remediation Measures

As part of our purchasing procurement process, and to fulfil the certification obligations of our Environmental Stewardship Program under the Kitchen Cabinet Manufacturer's Association, we review the written policies and statements of our key vendors and suppliers annually; ensuring they are equipped with the appropriate human rights standards, supply chain procurement processes, employee health, safety, and wellbeing standards, and operate in a way that is sustainable.

Decor Cabinets Ltd. does not own or control any additional entities that manufacture our product lines, nor do we plan to expand, move, or outsource any of our manufacturing operations abroad.

### Employee Training

We do not currently have an employee training program to bring awareness to Canada's Bill S-211. Employee onboarding includes awareness of human rights in Manitoba through the Manitoba Human Rights Code, workplace rights in Canada through the Manitoba Workplace Safety & Health Act, and workplace rights through The Employment Standards Act. All employees are required to complete this training and understand their rights prior to starting work.

### Assessment of Effectiveness

Our company policies are valid for a maximum of three years if no changes or incidents occur. Should an incident occur in our operations or in our supply chain pertaining to any form of modern slavery or human trafficking, our human rights policies shall be applied, and immediately validated and revised following an incident.

### Entity Information and Reporting Threshold

Entity business name: **Decor Cabinets Ltd.**

Entity Business number: **753169333**

Joint report: **No**

Reporting Period: **January 1, 2023 – December 31, 2023**

Report Number: **01**

Entity subject to reporting legislation in other countries: **No**

Entity location: **Morden, Manitoba, Canada**

Entity does business in Canada: **Yes**

Entity has over \$20 million in assets: **Yes**

Entity generates over \$40 million in revenue: **Yes**

Entity operating sector: **Manufacturing**

Entity listed on Canadian stock exchange: **No**

Average number employed by Entity: **500+**

Entity structure: **Corporate**

### Approval and Signing

In accordance with the requirements of the Act, and in particular section 11 thereof, I attest that as a binding authority of Decor Cabinets Ltd., 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.



Owner, Decor Cabinets Ltd.

May 1, 2024