

EXECUTIVE SUMMARY

This report is prepared by Interfor Corporation (“**Interfor**”) for the year ended December 31, 2023, and sets out the steps taken to prevent and reduce the risk that forced labour or child labour is used at any step of the production of goods in Canada or elsewhere by Interfor, or in the production of goods imported into Canada by Interfor. This is the first report prepared by Interfor under Canada’s *Fighting Against Forced Labour and Child Labour in Supply Chains Act* (the “**Act**”).

Interfor uses a risk-based approach to assess and manage its risk of forced labour and child labour. Interfor conducted a risk assessment of its supply chains for 2023 and determined that there is a low risk of forced labour and child labour being used through its supply chains. This report (the “**Report**”) outlines Interfor’s structure, activities and supply chains, its due diligence process and compliance with the Act.

PART 1 GENERAL ADMINISTRATIVE DETAILS

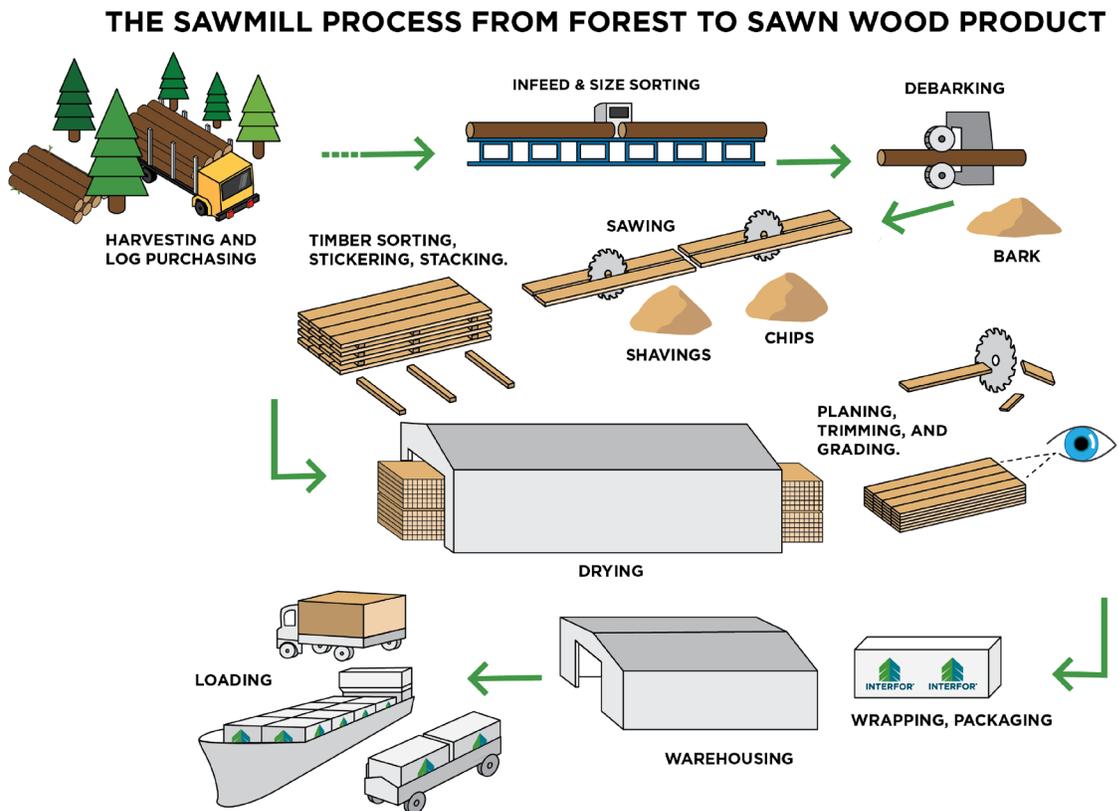
Reporting Entity Name:	Interfor Corporation
Reporting Year:	2023
Other Subsidiaries Included:	Interfor Sales & Marketing Ltd. Interfor U.S. Inc. Interfor U.S. Timber Inc. EACOM Timber Corporation Chaleur Forest Products Inc. Chaleur Forest Products Limited Partnership
Date Submitted:	May 27, 2024

PART 2 STRUCTURE, ACTIVITIES AND SUPPLY CHAINS

Interfor is a growth-oriented forest products company with operations in Canada and the United States. It has annual lumber production capacity of approximately 5 billion board feet and offers a diverse line of lumber products to customers around the world. All Interfor entities reported in this Report are incorporated in Canada or the United States. Interfor’s common shares are listed on the Toronto Stock Exchange.

In Canada, Interfor has operations in British Columbia, Ontario, Quebec and New Brunswick. In the United States, it has operations in Washington, Oregon, Georgia, South Carolina, Arkansas, Mississippi, Alabama and Louisiana.

Interfor’s activities include timber harvesting and sawmilling processes, illustrated as follows:



Raw materials are sourced from Canada and the United States, and the manufacturing process occurs in Canada and the United States.

Third-Party Certification of Forestry Practices

Certification is a market-based, non-regulatory forest conservation tool designed to recognize and promote environmentally responsible forestry and sustainability of forest resources. Certification involves annual third party audits of our forestry practices, and the results are available on our website. Our certification process includes a review of compliance with laws, including modern slavery laws.

With the exception of recently acquired Bathurst and Belledune sawmills (which are scheduled for audits in 2024), each of our lumber manufacturing and remanufacturing operations is certified to one or more internationally recognized chain-of-custody or fiber sourcing standards, including:

- *Sustainable Forestry Initiative® (SFI) Chain-of-Custody Standard*: All BC, Ontario, Québec and US lumber manufacturing and remanufacturing operations;
- *SFI® Fiber Sourcing Standard*: All BC, Ontario, Québec and US lumber manufacturing and remanufacturing operations;
- *Program for the Endorsement of Forest Certification (PEFC) Chain-of-Custody Standard*: BC operations and Japan sales office; and
- *Forest Stewardship Council (FSC) Chain-of-Custody Standard*: Québec and Northeastern Ontario manufacturing and remanufacturing operations.

In addition to our fiber sourcing and chain-of-custody certifications, we also carry International Standards Organization (ISO) 14001:2015 environmental management system certification for forest operations in Québec and Northeastern Ontario, as well as Forest Management certification for all forest management operations in Canada.

PART 3 DUE DILIGENCE PROCESS

Interfor conducts due diligence on all new suppliers during on-boarding and on existing suppliers at regular intervals. This includes:

- assessing risks in the provision of services;
- reviewing and auditing the suppliers, their health and safety standards, and labour relations;
- requiring improvements to substandard employment practices; and
- sanctioning suppliers that fail to improve their performance in line with our requirements.

We require all suppliers to comply with Interfor's Supplier Code of Conduct, which is publicly accessible on our website and referenced in our contract templates and states that suppliers:

- operate in compliance with all relevant laws and regulations;
- treat all people with respect, and not discriminate on the basis of race, ethnicity, nationality, Indigenous origin or heritage, gender, gender identity, sexual orientation, religion, age, disability, or any other protected grounds;
- provide a respectful and inclusive workplace, free from harassment;
- prohibit forced labor, child labor or criminal activities such as drug trafficking, terrorism, human smuggling, and illegal contraband;
- recognize and respect workers' rights, including freedom of peaceful assembly and association, collective bargaining, fair working hours and conditions, and fair compensation; and
- respect the rights of Indigenous Peoples, including through building proactive and mutually beneficial relationships, inclusive consultation and seeking to achieve the free, prior, and informed consent of those communities.

The Supplier Code of Conduct was circulated to all Interfor suppliers in 2023 and references to it are included in the majority of Interfor contracts. Further awareness and training for human rights will be provided to our employees in conjunction with Interfor's Code of Conduct.

Interfor's internal assessment for this Report included conducting interviews and obtaining supporting documentation from key process owners and the teams responsible for Interfor's supply chains activities. The assessment also included conducting a supplier analysis which summarized all the suppliers paid in the previous year, the type of suppliers used, and additional research on their governance practices.

Further, Interfor's external risk assessment compared published research on the risk of forced labour and child labour by country to the country listed in the address for the Supplier Master Data. For Interfor, 99.24% of suppliers paid in 2023 are located in Canada and the United States. These countries are listed as low risk on the Global Slavery Index for 2023. In addition, Interfor is not an importer of any of the goods listed as "risky goods" in the Supply Chain Risk Report for 2023.

Finally, Interfor has not been made aware of any allegations of human trafficking or slavery activities against any of its suppliers. If it were advised of such allegations, Interfor would act immediately and report it to the authorities.

PART 4 COMPLIANCE

Interfor conducted an internal and external risk assessment of its supply chains, taking into account:

- the risk profile of individual countries in which Interfor and its suppliers conduct business, based on the Global Slavery Index;
- the business services rendered by the suppliers;
- the presence of vulnerable demographic groups; and
- an analysis of news and a review of the insights of labour and human rights groups.

For 2023, the risk assessment determined that there is a low risk of forced labour and child labour in Interfor's supply chains.

PART 5 APPROVAL AND SIGNATURE

On May 9, 2024, this Report was as approved pursuant to subparagraph 11(4)(a) of the Act by the Board of Directors of Interfor Corporation.

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 reporting 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.

I have the authority to bind Interfor Corporation.

"Ian Fillinger"

Ian Fillinger
Director; President & Chief Executive Officer
Interfor Corporation
Date: May 24, 2024