



## **Report regarding Forced Labour in Canadian Supply Chains**

The current report is made in conformity with the *Act to enact the Fighting Against Forced Labour and Child Labour in Supply Chains* for the financial year starting on November 26, 2022, and finishing on November 24, 2023.

### **Structures, Activities and Supply Chain**

#### **Presentation of the Company**

Boa-Franc G.P. (also known as MIRAGE) is a general partnership. Headquartered in St-Georges, Québec, MIRAGE has been a leading manufacturer of high-quality hardwood flooring since 1983. The company is committed to produce superior quality products for its Mirage, Vintage, and Parquets Alexandra brands while supporting the sustainable development of forest resources and raw materials. Renowned for the quality of its products, MIRAGE leverages the expertise of a 550-employee-strong workforce spread over three plants and a network of more than 1,200 dealers across North America and is also recognized as a top employer.

#### **Supply Chain of the Company**

The company's supply chain focuses primarily on the purchase of hardwood, softwood, substrate, and accessories.

Wood lumber procurement activities are conducted from our St-Georges headquarters. We purchase the following species: Maple, Red Oak, White Oak (PS and R&Q), Hickory, Walnut, and Birch, all purchased from North American suppliers.

For the manufacturing of our engineered products, we acquire softwood (fir, spruce, pine) and substrate (HDF, plywood, veneer). Substrate products are primarily sourced from FSC or PEFC certified suppliers. While the majority of our procurement takes place in Saint-Georges, our plant in Etobicoke also acquires a variety of preassembled products.

Procurement activities for accessories such as adhesives, stains, samples, displays, mouldings, and marketing tools are carried out in both Saint-Georges and Etobicoke. These items predominantly use materials sourced from North America.

#### **Manufacturing Activities of the Company**

Our products are manufactured and finished in our Saint-Georges and Etobicoke plants. Once the products are finalized, they are shipped to retailers and distributors by C-TPAT-certified carriers, ensuring secure and standard-compliant logistics.

Within our manufacturing plants, we have established labour relations committees as well as occupational health and safety committees. These committees enable constant and effective communication between employees, the union and management, thus ensuring a harmonious and safe working environment.

### **Due Diligence, Risk Assessment, and Corrective Measures**

#### **Due Diligence Policies and Procedures**

Jean-Pierre Thabet, Executive Vice-President in Saint-Georges, and Kenton Martin, Vice-President in Etobicoke, have signed a commitment to respect the principles of the International Labour Organization (ILO). This commitment ensures that no forced labour or child labour is tolerated within MIRAGE.



Our due diligence process includes our Chain of Custody (COC) as well as the qualification and evaluation of our suppliers. The COC enables us to trace the origin of the wood products we procure, aligning with the declared origin of wood by mills. Since our wood planks are exclusively produced in North America, we can confidently assert that these products originate from regions where forced and child labour are prohibited.

As part of the COC process, we also ensure that our suppliers of wood products manufactured outside North America (substrates) are PEFC or FSC certified. These certifications guarantee that our suppliers respect workers' rights, which is the main reason we choose to work with them.

As of 2024, all our non-PEFC or FSC-certified suppliers procuring material from outside North America must sign a declaration stating that their products are free from all forms of forced or child labour.

### **Risk Assessment and Management**

The primary risks of forced and child labour in our supply chain are associated with the location and sector of activity of certain suppliers. However, we have controlled these risks through our COC process and by validating the PEFC and FSC certificates of our wood product suppliers located outside North America. Both certifications provide assurances against forced and child labour. By exclusively sourcing from certified suppliers, we effectively mitigate the risks associated with suppliers located outside North America.

Our procurement sourced outside North America that is not covered by PEFC or FSC certification represents less than 1% of our overall purchases. Through the application of the due diligence policies and procedures explained above, the risk of forced or child labour is extremely low.

### **Corrective Measures**

Boa-Franc G.P. has not found any cases of forced or child labour within its supply chain. Consequently, no corrective measures were necessary, and no actions were required to mitigate the economic impact on the most vulnerable families.

### **Training and Assessment of Measures Effectiveness**

#### **Training**

All staff in our purchasing department are required to undergo annual training on the fight against forced and child labour. This training outlines the steps necessary to mitigate these risks in our supply chain and emphasizes the aspects of our supplier evaluation that address these concerns.

The training also helps purchasing agents identify potential risks of forced or child labour using the forced labour index provided by the non-governmental organization Walk Free.

### **Assessment of Measures Effectiveness**

Each year, between September and November, the wood purchasing department works on the chain of custody (COC) process. This process includes verifying the information provided by our wood suppliers, which enables us to renew our PEFC certification. Suppliers must declare the province or state of origin of their material, which helps us to assess and control the risk of forced and child labour. We also validate their PEFC or FSC certification.

In early December, we review the certificates of origin for our accessory suppliers. This is crucial for identifying which items qualify under free-trade agreements. Since 2024, a new procedure has been implemented: if a product is not exclusively manufactured in North America, the supplier must sign a declaration stating that its products are free from forced and child labour. If there is any uncertainty regarding compliance with this declaration, our purchasing agents would take the necessary steps to



remedy the situation. If the supplier cannot prove that its products are free from forced and child labour, MIRAGE will cease doing business with this enterprise.

As a member of the C-TPAT program, we conduct annual reviews and audits of our procedures, including provisions regarding forced and child labour.

Our supplier qualification and evaluation processes also include a contingency plan to be activated in the event of non-compliance by our suppliers. To date, no irregularities have been detected during our audits, rendering the activation of this contingency plan unnecessary.

### **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 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.

I have the authority to bind Boa-Franc G.P.  
Jean-Pierre Thabet  
Executive Vice-President