BUILD SOMETHING STRONGER

May 31, 2026

**Pacific Woodtech Corporation's Supply Chains Act Report (2025)**

# About this report

Pacific Woodtech Corporation has prepared this report (the "**Report**") pursuant to the requirements of the *Fighting Against Forced Labour and Child Labour in Supply Chains Act* (the "**Act**") for the financial year ended March 31, 2026. All references in this Report to "**Pacific Woodtech**", "**we**", "**us**", or "**our**" refer Pacific Woodtech Corporation unless otherwise indicated. This Report has not been externally assured.

This Report describes the steps taken to enhance transparency in our supply chains by outlining the steps taken during the 2025 financial year to prevent and reduce the risk that forced labour or child labour ("**Modern Slavery**") is used at any step of the production of goods in Canada or elsewhere, or of goods imported into Canada. This has been done in accordance with the reporting criteria outlined in Sections 11(1) and 11(3) of the Act.

Pacific Woodtech does not report under similar legislation in any other jurisdiction.

# Introduction

At Pacific Woodtech, we are proud of our long history of successful business, conducted in North America with honesty and integrity. We believe that if our employees and management continue to execute business with a priority on integrity, we will keep improving Pacific Woodtech as a good corporate citizen that can serve an active role in the community and society for the next 100 years to come.

As a member of the ITOCHU Group, we are guided by our corporate mission, *Sampo-yoshi*, which is Japanese for “good for all three sides”: good for the seller, good for the buyer, and good for society. In accordance with *Sampo-yoshi*, we are committed to serving all stakeholders – including respecting human rights and adhering to all laws and regulations governing human rights (including prohibitions on the use of Modern Slavery). We support international agreements on human rights, including the Universal Declaration of Human Rights, the International Labour Organization's Declaration on Fundamental Principles and Rights at work, and the United Nations Global Compact, which ITOCHU has been a signatory to since 2009. We aim to comply with all laws and regulations of the countries in which we perform our business activities, and if there are any contradictions between internationally recognized human rights and the laws and ordinances of a country or region, we seek to maximize respect for international human rights principles.

# Structure, Activities and Supply Chains

## Company Structure

Pacific Woodtech is a privately held company headquartered in Burlington, Washington, which is also where our main production facility is located. We have been dedicated to innovation and top-notch engineered wood products since 1998. Pacific Woodtech manufactures and sells engineered wood products, including I-joists and laminated veneer lumber ("**LVL**").

In Canada, Pacific Woodtech owns and operates one facility: a lumber processing facility for veneer, LVL, and plywood in Golden, British Columbia. Pacific Woodtech also sells small amounts of various wood by-products that cannot be used in our production to Canadian customers that are typically also Pacific Woodtech suppliers.

Pacific Woodtech is owned by the ITOCHU Corporation ("**ITOCHU**") and DAIKEN Corporation, with ITOCHU holding the majority ownership. ITOCHU Corporation is a publicly traded company headquartered in Tokyo and Osaka, Japan. ITOCHU is listed on the Tokyo Stock Exchange (Ticker Symbol: TYO 8001) and specializes in trading of various products, including textiles, machinery, chemicals, food, IT, and realty.

DAIKEN Corporation is a public company headquartered in Toyama, Japan. DAIKEN is listed on the Tokyo Stock Exchange (Ticker Symbol: TYO 7905) and specializes in the manufacture and sale of eco-friendly building materials.

Pacific Woodtech employs approximately 764 people. Approximately 294 employees are located throughout our Canadian operations. The rest are located in the United States.

## Activities and Operations

Pacific Woodtech has been manufacturing and selling engineered wood products for over 25 years. We remain dedicated to industry-leading innovation and high-quality engineered wood products. Our focused approach allows us to offer complete indoor and outdoor whole-home solutions, making us the preferred engineered wood products supplier.

Our main two products are I-joists and LVL. I-joists are used for floor framing and roof rafters in residential and light commercial products. I-joists are easy to install in comparison to conventional lumber due to their lightweight design and uniform size. LVL is used in structural applications such as beams, headers and rafters. Because of how it is manufactured, it is available in lengths far beyond conventional lumber lengths, capable of carrying more load and is dimensionally stable.

## Our Supply Chains

In 2025, Pacific Woodtech engaged with a variety of suppliers that provided it with the following general categories of goods: veneer, resin, adhesive, lumber, logging, and packaging materials and equipment. All of our top 100 suppliers by spend, are located in Canada and the United States, with approximately 50% of our suppliers operating out of the United States and 50% in Canada.

# Policies and Due Diligence

It is our goal to provide a positive work environment and a solid economic foundation upon which all employees may build a future. This is solidified in the policies applicable to Pacific Woodtech including our Code of Conduct and Human Rights Policy, set out in further details below.

***Code of Conduct***

As a member of the ITOCHU Group, we embrace and support the ITOCHU Group's mission and goals, such as embracing a wide range of social responsibilities including legal compliance and implementing corporate ethics through our practices and policies. Pacific Woodtech's Code of Conduct (the "**Code**") solidifies this commitment. We expect all employees, including management, to execute business with a thorough comprehension of our Code and underlying corporate mission. Further, all employees and officers are expected to read, understand and abide by the Code, as well as Pacific Woodtech's other policies and applicable laws and regulations.

Our Code solidifies our commitment to respecting human rights and all laws and regulations governing human rights (including prohibitions on the use of Modern Slavery). We aim to promote full and productive employment, in accordance with the ITOCHU Group's Human Rights Policy, as described in more detail below.

At Pacific Woodtech, safe and respectful workplaces are a priority. As such, we seek to maintain diverse workplaces that are discrimination and harassment-free and provide a safe working environment that protecting the health and safety of our employees.

***ITOCHU Group Human Rights Policy***

The ITOCHU Group Human Rights Policy (the "**Human Rights Policy**") is applicable to Pacific Woodtech as it is imposed upon and adopted by ITOCHU's subsidiaries in various regions around the world, including Pacific Woodtech.

Under the Human Rights Policy, we support international agreements on human rights, including the Universal Declaration of Human Rights, the International Labour Organization's Declaration on Fundamental Principles and Rights at Work, and the United Nations Global Compact, which ITOCHU has been a signatory to since 2009. We comply with all laws and regulations of the countries in which we perform our business activities,

and if there are any contradictions between internationally recognized human rights and the laws and ordinances of a country or region, we seek to maximize respect for international human rights principles.

***Compliance Hotline***

Any action that may conflict with our Code or other internal policies can and should promptly be reported to the Chief Compliance Officer, the Legal & Compliance Division, or other available resources through Pacific Woodtech's Compliance Hotline (the "**Hotline**"). The Hotline can be accessed online or by phone 24 hours a day, seven days a week.

Pacific Woodtech does not engage in or permit retaliation of any kind against any person who seeks legal or ethical advice, reports known or suspected misconduct in good faith or cooperates in an investigation. Pacific Woodtech investigates claims of retaliation and takes appropriate corrective action.

# Potential Risks in Our Operations and Supply Chains

## Potential Risks in Our Operations

Pacific Woodtech considers the risk of Modern Slavery occurring within our operations to be low. Not only does our workforce exist only within Canada and the United States, both of which have comprehensive and strict labour, employment, and human rights laws, but also as a member of the ITOCHU Group we have a number of strong policies in place regarding labour standards for our employees.

## Potential Risks in Our Supply Chains

We understand that geographic considerations, the nature of some of the raw material and particular industries can carry a higher risk of Modern Slavery. There are also risks linked to certain industries even in countries considered to have lower risks of Modern Slavery. All of our raw materials from our top 100 suppliers are sourced from Canada and the United States, which have a low prevalence of Modern Slavery, a low risk of vulnerability to child and forced labour and a fairly robust governmental response addressing child and forced labour (see Walk Free, Global Slavery Index 2023, found here). Based on the foregoing and our policies and reporting mechanisms described in this report, we view the risks of Modern Slavery in our supply chains as low.

Under the Human Rights Policy, if any of our business activities induce a negative impact on human rights or if involvement of such becomes clear, we strive to remedy and rectify the situation through appropriate procedures and dialogue. However, through our assessment of our operations and supply chains regarding the risk of Modern Slavery being used, we did not identify any instances of Modern Slavery. Accordingly, no steps were required to remediate Modern Slavery, or the loss of income associated with remediation efforts.

## Management and Mitigation of Potential Risks

Our Code of Conduct, Compliance Hotline, and due diligence measures offer a reporting mechanism for our employees and suppliers to report ethical or legal violations, among other concerns. In accordance with our principles and policies, if a situation of non-compliance is identified, Pacific Woodtech's practice is to work to develop and implement a corrective plan to improve and remedy the situation.

# Training

We strive to have all our executives and employees receive appropriate training from ITOCHU regarding our Human Rights Policy to raise human rights awareness and incorporate an implement the Human Rights Policy in our business activities. Employees are expected to undergo training related to internal rules and laws applicable in their jurisdiction, and confirm that they have taken and understand the training.

As Pacific Woodtech continues the development of our actions to prevent and reduce the risk of Modern Slavery, we will consider implementing, as appropriate, a more focused training module on Modern Slavery.

# Assessing Effectiveness

We intend continue to revaluate the need to implement measure to assess the effectiveness of the processes we have in place based on the evaluation of our risks as described in this Report.

# Approval & Attestation

This Report was approved pursuant to section 11(4)(a) of the Act by the Board of Directors of Pacific Woodtech Corporation on May 31, 2026.

I have the authority to bind Pacific Woodtech Corporation
Jim Enright | President & CEO
**Pacific Woodtech Corporation**
May 31, 2026