

ABC Supply International Holdings, Inc. 2025 Modern Slavery Report

May 29, 2026

About this Report

This Modern Slavery Report (the “**Report**”) addresses the period from January 1, 2025, to December 31, 2025, and has been prepared pursuant to the *Fighting Against Forced Labour and Child Labour in Supply Chains Act* (“*the Act*”). This Report is made on behalf of ABC Supply International Holdings, Inc., and its two subsidiaries (collectively, “ABC Supply” or the “Company”).

ABC Supply is committed to conducting our business operations in a manner that complies with applicable laws and regulations and achieves the highest standards of business ethics. This includes respecting human rights and requiring our suppliers to do the same. ABC Supply is committed to improving practices to combat modern slavery and human trafficking and will not tolerate any such practices in its supply chain.

1. Our Business

i. Structure

ABC Supply International Holdings, Inc. is based in the United States and began operations in Canada by making two strategic acquisitions of existing companies in 2022 and 2023. The acquisitions resulted in two subsidiary entities registered in Alberta: Canadian Builders & Contractors Supply Holdings ULC (Alberta) and Canadian Builders & Contractors Supply ULC (Alberta) (CBC). Canadian Builders & Contractors Supply ULC (Alberta) is the operating company. At the end of 2025, our location count remains at twenty-four locations.



ii. Activities

ABC Supply is a wholesale building products distributor primarily serving professional contractors and builders. The Company currently has locations in the provinces of British Columbia, Alberta, and Ontario and operates with approximately three hundred and thirty associates as of December 31, 2025. As a wholesale distributor, ABC Supply's activities consist of facilitating the purchasing relationships between materials manufacturers and contractors by maintaining localized inventories, extending trade credit, providing product advice, and providing delivery and logistics services. ABC Supply carries nearly 5,000 exterior building product items in categories such as roofing, siding, windows, doors, and tools and equipment used for installation of those products as well as deploying a delivery fleet.

iii. Supply Chain

The Company imports substantially all its products for sale from North American sources. These products include roofing for both commercial buildings and residential housing, siding, windows, doors, and ancillary installation tools. We currently have limited visibility into tier two plus suppliers. However, we can confirm for one of our top key product categories of shingles, the raw materials of asphalt, fiberglass mat, granules are all produced in North America.

As part of a long-term initiative, in 2026, the Company will conduct research and begin a discovery phase for development of a tier two assessment tool to enhance our level of detail and compliance from vendors of resale materials in the supply chain to identify potential related risks.

Our purchasing decisions are decentralized and conducted separately by each location. We employ an integrated ERP system that maintains a discrete master supplier list and provides visibility to inventory transactions and balances across all locations.

2. Policies and due diligence processes addressing slavery and human trafficking risk

i. Internal

ABC Supply is committed to doing business in an ethical manner and will not tolerate any form of human trafficking or modern slavery in our operations. ABC Supply is an equal opportunity employer and is committed to maintaining a workplace free of unlawful discrimination, harassment, and retaliation. The Company is committed to adhering to applicable laws prohibiting discrimination in employment. Additionally, we are committed to having all associates work in an environment free of discrimination and harassment based on race, religious creed, national origin, ancestry, physical disability, mental disability, medical condition, genetic information, marital status, military status, sex, gender, gender identity, transgender, gender expression, age, sexual orientation, or any other bases prohibited by law.

ABC Supply requires that all associates observe the highest standards of business integrity and ethical business conduct. The Company also maintains multiple policies including a Code of Conduct and Ethics along with Reasons for Discharge to guide our associates with respect to our standards of business conduct. Our goal is excellence in the workplace and creating an environment that supports honesty, integrity, respect, trust, and responsibility. These high ethical standards go hand in hand with our core values, and living by them is essential to fulfilling our mission and core purpose.

Our Hiring Process

ABC Supply will not tolerate any forced labour or child labour in our operations. To ensure that we are in compliance with legal age requirements, there is a verification process for all new hires to validate identification and age. Additionally, the Company has a secondary employment verification process for minors in the province of British Columbia, requiring the parent to provide written permission for their minor to work for the Company per the established regulations. Currently the secondary employment verification process is implemented in British Columbia only as required by law. We will continue to monitor the requirements of other provinces where we are located and implement policy and procedures as required by their independent statutes.

In late 2024, a company handbook was created, including specific language addressing forced labour and child labour per Canadian Regulation S-211. This handbook was printed and distributed in 2025 and requires an acknowledgement from every current associate as well as all new hires in the future that will be tracked in the company's human capital management software. These acknowledgements will be stored in each individual's employee file and remain in effect until a new handbook is published and a new acknowledgement is required. As of December 2025, over 95% of associates had signed acknowledgements on file and of those outstanding, 80% are on leave and will sign upon return. The employee handbook statement reads as follows:

Forced Child/Labour Policy All ABC companies, subsidiaries, and affiliates do NOT engage in or condone the unlawful employment or exploitation of children in the workplace or the use of forced labour.

To strengthen our commitment to compliance, we will be implementing a short-term internal initiative to verify that all training is completed by team members. Alongside this we plan to formalize an expected timeline for when each training must be completed, ensuring that everyone is clear on requirements and deadlines. This should help us proactively address any gaps and maintain ongoing awareness across the team.

Whistleblower Process

At ABC Supply, we encourage open communication with our associates. Our philosophy is that we are an "Employee First" company. We believe we have a responsibility to provide a great place to work. It is everyone's responsibility to help make ABC Supply a great place to work. Associates at all levels have direct access to the Human Resources support line and may make a complaint, report any improper act/practice, or express any concerns. There are additional internal and external legal resources available for inquiries.

During the fourth quarter of 2024, an associate AlertLine was implemented for Canada. The AlertLine is a toll free 24/7 option where associates can call and report any concerns to an independent third-party service provider. Associates can remain anonymous, and to the extent possible, these reports will be kept confidential. ABC policy prohibits retaliation against associates who report their concerns.

The AlertLine was fully rolled out to all locations by the end of January of 2025. As part of the roll out, the following educational items were included for all associates:

- Information brochures for every associate, with a wallet card for easy reference
- A poster for each location to be placed in associate common areas
- Fact sheets for each associate to provide an explanation of the alert line and its intended use

Additionally, the new employee handbook provides information on various internal avenues to report concerns and possible violations, as well as detailed instructions for using the AlertLine.

In 2025 there were zero AlertLine concerns reported regarding Canadian Regulation S-211.

ii. Our Supply Chain

ABC Supply expects its associates, contractors, manufacturers, and vendors to abide by all applicable regulations and laws based on their country, state or province, and local authorities.

We are committed to working with supply chain vendors and other business partners who abide by all applicable laws in the jurisdiction(s) in which they operate. To further educate our associates on the potential impact of forced child/labour in the supply chain, the new associate handbook includes the following in the section for Forced Child/Labour Policy.

Forced Child/Labour Policy

ABC works proactively with our suppliers to ensure they are taking appropriate measures to ensure their commitment to not using forced labour. If any supplier is implicated in labour offenses or criminal activity, they must report specific and satisfactory details and steps taken to help prevent and reduce forced labour in our supply chain in order to continue working with the ABC companies, subsidiaries, and affiliates.

To further adhere to the S-211 requirements, new trade vendor agreements were created in late 2024 to explicitly address this provision and are being used as we onboard new suppliers.

In 2025 we executed nine additional vendor agreements that include explicit acknowledgement of compliance with S-211 requirements. We are currently engaged in negotiations with fifteen suppliers for vendor agreements that incorporate S-211 compliance provisions, and it is anticipated that these agreements will be executed in 2026. Expanding the responses and acknowledgements of S-211 compliance from our resale suppliers will be a short-term key area of focus for 2026.

Additionally, in 2025, the Company updated the “Vendor Agreement for Products and Services Used in Branch/Regional Operations” to incorporate the language below for both renewals and new service agreements.

Vendor warrants that the products supplied to CBC have been produced in compliance with the laws regarding slavery, child labor, or other human trafficking, including SB-211, in the countries where those products were produced or originated, and that none of the products were produced using slavery

or human trafficking. This warranty applies both to the products supplied to CBC and the materials incorporated into those products. Vendor certifies that none of the products that Vendor sells to CBC, or that are private labeled or toll manufactured at the request of CBC contain tin, tungsten, tantalum or gold. Vendor certifies that all the products Vendor sells to CBC meet current and future OSHA Packaging Standards of Globally Harmonized System (GHS) for Classification and Labeling of Chemicals in accordance with OSHA's effective dates. Product material shipped to CBC locations out of compliance of OSHA GHS standards and effective dates listed above may be subject to fine for which the Vendor will be solely responsible.

3. Forced labour and child labour risks

As previously noted, the Company imports substantially all of its products for sale from North American sources. As a result, ABC Supply does not believe there is a significant risk that its suppliers utilize forced labour or are involved in human trafficking from a country risk perspective.

According to The Global Slavery Index 2023 produced by the Walk Free Foundation [<https://www.walkfree.org/global-slavery-index/>], and the 2026 Global Slavery Index by World Population Review [<https://worldpopulationreview.com/country-rankings/global-slavery-index-by-country>], our present direct (Tier 1) supply chain represents a relatively minimal risk of forced labour and child labour due to both its geographic location as well as the high levels of governmental oversight and laws applicable to human rights in these jurisdictions. However, the Company acknowledges the risk of forced labour or child labour may increase further down its supply chain as the Company has limited visibility beyond its direct suppliers.

In 2025, the Company developed two detailed S-211 questionnaires: one to be completed by vendors prior to site visits and a second to be completed by Company associates following site visits. These questionnaires are intended to strengthen oversight by facilitating comprehensive on-site reviews and enhancing the monitoring of compliance with S-211 requirements. A centralized repository was established to ensure proper documentation and retention of all completed questionnaires.

Additionally, the Company performed a high-level internal review of its supply base, including an evaluation of two vendors representing approximately 26% of total spend of resale goods. Between 2024 and 2025 combined we have visited suppliers that represent 62% of our overall spend for resale goods. The Company has initially targeted supplier visits strategically based on vendor size and volume of business along with other pre-planned visits related to other strategic business initiatives.

In 2026, we plan to conduct a comprehensive review of our plant visit surveys, incorporating the prior two years of collected data, to further enhance and refine our plant visit procedures and associated questionnaires.

Using the Modern Slavery Index in conjunction with on-site visits to select manufacturing facilities, the Company observed practices indicative of alignment with S-211 requirements. The newly developed pre- and post-visit questionnaires were completed by both Company associates and applicable vendors and were appropriately retained within the designated repository in accordance with documentation standards.

4. Remediation measures including remediation of loss of income

As of the date of this report, the Company has not identified any instances of forced or child labour in our activities and supply chains and has not been subject to any investigation related to these matters within the year ended December 31, 2025, and therefore, no remediation measures have been taken.

5. Training

ABC Supply associates designated as Branch Managers, District Managers, or Region Managers are required to attend a mandatory five-week training class that includes operating procedure instructions and classes pursuant to human resource topics including but not limited to: fair and safe work practices, employment standards, employee classifications, Provincial Labour Laws, The Canada Human Rights Act, and other employment standards.

During 2024, research was completed by the Human Resources department regarding regulation S-211. As a result of this research, training curriculum was created to specifically address the areas of forced labour and or child labour.

The new curriculum was implemented in 2025 and is covered in two different sessions of the mandatory manager training class, as well as an on-line training course for all associates was rolled out. In 2025 nearly 50% of associates completed the online training.

The Human Resources department will be taking additional actions in 2026 to confirm that all current associates have completed the on-line training course as well as ensuring any new hire will complete the course within their first sixty days of employment.

We are currently assessing options for engaging a third-party consultant. The aim would be to have them help us reevaluate the effectiveness of our current training programs, ensuring we're staying aligned with best practices and regulatory requirements.

6. Progress and Effectiveness

ABC Supply made progress with efforts to assess its supplier risk profile, update purchase agreement language and implement employee training as it relates to Modern Slavery. To date we have not had significant concerns or complaints identified related to Modern Slavery in our operations or supply chain requiring remediation actions. Based on the processes and actions implemented to date, we are confident in the company's effectiveness in preventing and reducing risk of forced labour and child labour in our activities and supply chains.

To further evaluate the effectiveness of its policies and procedures, ABC has implemented a detailed internal audit review that includes:

1. Maintaining comprehensive records of supplier audits, vendor agreements, internal reviews, parental consent and regulated hours of work for minors, and all related due diligence activities
2. Employee Training and Reporting for ongoing training to employees and ensure mechanisms are in place for confidential reporting of any concerns related to forced or child labour

The 2025 Internal Audit found that the Company has made incremental progress in enhancing controls to ensure compliance with S-211 and found no critical errors in the audit.

Annually senior leaders will review the Internal Audit Department report to further refine its policies based on the internal audit findings.

ABC Supply is committed to continuous improvement for all compliance and regulatory procedures with respect to its operations and supply chain. For 2026 we have outlined initiatives for the short-term, mid-term and long-term, as notated in the report to further enhance our S-211 reporting commitments and the fight against forced labour and child labor in supply chains. The Company will continue to monitor its risks in the future to determine whether further measures are necessary.

8. Approval

This statement has been approved by the Board of Directors of Canadian Builders & Contractors Supply ULC (Alberta).

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.



James Anderson
Director

I have the authority to bind ABC Supply International Holdings Inc., Canadian Builders & Contractors Supply Holdings ULC (Alberta), and Canadian Builders & Contractors Supply ULC (Alberta).

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