

KITCHEN CRAFT OF CANADA CY24 Fighting Against Forced Labour and Child Labour in Supply Chains Act Report

This Report is produced by Kitchen Craft of Canada (“Kitchen Craft” or the “Company” or the “Entity” or “our” or “we”), a partnership between MBCI Canada Holdings Corp. and NHB Industries Limited, for the fiscal year ending December 31, 2024 (the “Reporting Period”). The report 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 or of goods imported into Canada by the Company. This is the second report prepared by the Company pursuant to Canada’s new Fighting Against Forced Labour and Child Labour in Supply Chains Act (the “Act”).

1. Steps the entity has taken during its previous financial year 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 the entity or of goods imported into Canada by the entity.

The Company has undertaken several proactive measures to prevent and mitigate the risk of forced labour or child labour within our operations and supply chains. These initiatives are integral to our commitment to ethical business practices and corporate responsibility. Examples are as follows:

Human Rights Policy: We have developed and implemented a Human Rights Policy that outlines our commitment to upholding fundamental human rights principles, including the prohibition of forced labour and child labour. This policy serves as a guiding framework for our business operations and interactions with suppliers.

Supplier Code of Conduct (“Supplier Code”): Our Supplier Code of Conduct articulates our expectations for ethical behavior and compliance with labour standards throughout our supply chains. It explicitly prohibits the use of forced labour or underage labour and outlines the consequences for non-compliance.

Internal Processes to quantify risk and map our supply chain: We have established strategic partnerships with reputable organizations such as:

- Dow Jones Risk Center to enhance our 24/7 monitoring and evaluation capabilities regarding human rights and labour practices. These collaborations provide access to valuable resources and insights to strengthen our supply chain management processes.
- Power BI – Mapping: To enhance transparency and traceability within our supply chains, we have used Power BI for mapping and monitoring supplier relationships. This enables us to identify high-risk areas and take proactive measures to address potential issues related to forced labour or child labour.

- Code of Conduct Audits – Audits are conducted for direct suppliers and tier 2 suppliers based on risk and country of origin. MasterBrand conducts these audits annually and places emphasis on labour practices and standards. The audit has sections that focus on Laws and Regulations, Child Labour, Forced Labour, Compensation, and Health and Safety. Scoring for the audit will determine if the supplier meets the requirement outlined in the Code of Conduct to continue as a business partner for MasterBrand.

These initiatives reflect our ongoing commitment to ethical sourcing practices and our dedication to fostering sustainable, responsible business operations. We remain vigilant in our efforts to prevent and address any instances of forced labour or child labour within our sphere of influence.

2. The entity's structure, activities, and supply chains.

Kitchen Craft has been manufacturing fine quality cabinetry since 1971. Building fashionable and affordable products combined with our dedicated customer service team is how we've placed dream kitchens in homes across North America for over 50 years. In 2024, Kitchen Craft imported over 10,000 shipments of finished goods for sale within Canada as well as raw materials for production of cabinets. We also sold and exported over 2,000 truckloads of premium cabinetry in the United States.

Our purpose is to bring our customers' experience, of their kitchen being the center of home, where family and friends gather to share a meal, do work, or enjoy each other's company, to life. Fulfilling that mission rests on our commitment to conduct business ethically and responsibly and on our commitment to our associates and communities. Respect for human rights is a cornerstone of those commitments.

Supply Chains: Our supply chains are integral to our operations and encompass a global network of suppliers, vendors, and partners. These supply chains are structured to support our production processes and ensure the timely delivery of goods and services to our customers. We are committed to maintaining transparency and accountability throughout our supply chains, prioritizing ethical sourcing practices and responsible supplier relationships.

3. Policies and due diligence processes in relation to forced labour and child labour.

Our Company maintains policies to address the risks associated with forced labour and child labour. These policies are rooted in our commitment to upholding human rights principles and ethical business practices. Our policies and due diligence include:

Human Rights Policy: Consistent with the UN Guiding Principles on Business and Human Rights, our Human Rights policy is guided by the International Bill of Human Rights (including the UN Universal Declaration of Human Rights), the International Labour Organization's Declaration on

Fundamental Principles and Rights at Work and the principles concerning fundamental rights set out in the OECD Guidelines for Multinational Enterprises.

Our Human Rights Policy serves as the cornerstone of our approach to ethical sourcing and labour practices. It outlines our commitment to respecting and promoting human rights throughout our operations and supply chains, including the prohibition of forced labour and child labour.

Code of Business Conduct and Ethics (“Business Code”): Our organization is committed to fostering a workplace that is professional and respectful. Diversity is a necessary and strategic goal for our business. Consistent with the Entity’s Business Code, we endeavor to promote an atmosphere of trust and respect and encourage a work environment where associates are treated fairly and given opportunities to contribute to our success. Our Business Code articulates our expectations for ethical behavior and for compliance with labour standards and employment laws in the jurisdictions in which we operate. It explicitly prohibits the use of forced labour and underage labor and outlines the consequences for non-compliance. In addition, we train our employees to speak up and report any non-compliances with our Business Code. We also provide a Compliance Helpline for all our teams throughout North America and our other locations around the world. Reports can be made anonymously.

Supplier Code: Our Supplier Code articulates our expectations for ethical behavior to our suppliers. We will only partner with suppliers that comply with applicable law in the jurisdiction within which they operate, and the standards set out in our Supplier Code. Among other things, the Supplier Code: (i) outlines our expectations on working conditions, health, and safety, for example, all workplaces should be free of any form of harsh or inhumane treatment; (ii) prohibits illegal labour practices; and (iii) allows for inspections and audits by our compliance teams. The Supplier Code also explicitly prohibits the use of forced labour and underage labour and outlines the consequences for non-compliance. For example, in the event of non-compliance, we reserve the right to terminate the agreements and end the business relationship with the supplier.

Additional Due Diligence: In fiscal year 2024, we conducted or participated in audits that focused on supplier compliance with labour and safety standards. These audits help to strengthen our due diligence and supplier engagement.

4. The parts of the entity’s business and supply chains that carry a risk of forced labour or child labour being used and the steps it has taken to assess and manage that risk.

Identification of High-Risk Areas: Through internal risk assessments, we identify supply chains that carry a heightened risk of forced labour or child labour. As a result of our internal risk assessment, we have not identified areas within our business or supply chain that carry a heightened risk of forced labour or child labour.

Steps Taken to Assess and Manage Risk: To address the risks identified within our business and supply chains, we have and continue to work to implement the following measures:

- Supply Chain Mapping: We have conducted mapping exercises to trace the flow of goods and services in some areas of our higher risk supply chains. We recognize that this mapping enables us to pinpoint specific areas of vulnerability and allows us to focus our risk mitigation efforts accordingly. We hope in the coming years to implement this across our entire supply chain.
- Supplier Engagement: We engage with suppliers and conduct audits via surveys to assess their labour practices. Additionally, we conduct global on-site assessments annually and require corrective actions where necessary.

5. Any measures taken to remediate any forced labour or child labour.

We have not identified any incidents of forced labour or underage labour within our supply chain and, as such, no remedial measures were undertaken.

6. Any measures taken to remediate the loss of income to the most vulnerable families that results from any measure taken to eliminate the use of forced labour or child labour in its activities and supply chains.

We have not identified any loss of income to vulnerable families resulting from measures taken to eliminate the use of forced labour or child labour in our activities and supply chains.

7. Training Provided to Employees.

Ensuring that our employees are well-informed and equipped to uphold our commitment to ethical business practices is a top priority. To this end, we practice the following:

New Employee Orientation: At the time that they begin working with us, we teach all new employees about our values, Business Code, standards and culture. Every site has a human resources contact person who can offer employee assistance.

Annual Supply Chain Training: In addition, all product and supply chain associates are trained annually on our compliance initiatives and specifically forced labour. Our forced labour training is designed to educate employees in the supply chain departments about the signs, risks, and consequences of forced labour and child labour. This interactive training module covers relevant topics such as international labour standards, supply chain transparency, and reporting mechanisms. These sessions provide employees with opportunities to ask questions, share insights, and stay informed about emerging trends and best practices in the field.

We maintain detailed attendance lists for all training sessions ensuring accountability and compliance across the organization. These records serve as evidence of our commitment to continuous learning and improvement in this critical area.

8. How the entity assesses its effectiveness in ensuring that forced labour and child labour are not being used in its business and supply chains.

By adopting a multi-faceted approach to assessment and evaluation, we strive to ensure that our business practices align with our commitment to respect human rights and promote responsible sourcing. Part of our process includes, training our product teams on forced labour as they continue to explore global locations for product sourcing.

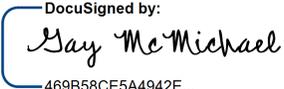
We aim to regularly review and enhance our Codes, policies, and procedures as they relate to forced labour.

Approval and Attestation

This Report was approved pursuant to subparagraph 11(4)(b)(ii) of the Act by the Boards of Directors of MBCI Canada Holdings Corp. and NHB Industries Limited by unanimous written consent.

In accordance with the requirements of the Act, and in particular section 11 thereof, I, the undersigned, attest that I have reviewed the information contained in this report for Kitchen Craft of Canada. Based on my knowledge, and having exercised reasonable diligence, I attest that the information in this report is true, accurate and complete in all material respects for the purposes of the Act, for the reporting year 2024.

I have the authority to bind NHB Industries Limited or MBCI Canada Holdings Corp.

DocuSigned by:

469B58CE5A4942E...
Signature: _____

Full Name: P. Gay McMichael

Title: Director

Entity: MBCI Canada Holdings Corp.

Date: 28 May 2025

Appendix A: Link to our policies.

- Our Human Rights Policy can be found [here](#).
- Our Supplier Code of Conduct can be found [here](#).
- Our Code of Business Conduct and Ethics can be found [here](#).