

Fiscal Year 2023

# Modern Slavery Act Report



Kurzac Group of Companies

2024 05 29 /trw

## 1. INTRODUCTION

This report represents the first report prepared by the Kurzac Group pursuant to the Canadian Fighting Against Force Labour and Child Labour in Supply Chains Act established under the laws of Canada.

The Kurzac Group is committed to positively impacting the communities in which we operate and conducting business in with a zero-tolerance approach to modern slavery. We expect the same from our partners, contractors, and members of our supply chain.

Our core values are building homes, strengthening communities, empowering people. In alignment with these we acknowledge our responsibility to ensure the safety and protection of the human rights of all people who are associated with our businesses.

## 2. STRUCTURE, BUSINESS & SUPPLY CHAINS

The Kurzac Group's main business is the ownership and operations of hardware stores and lumber yards in British Columbia under a variety of banners of Home Hardware Stores Ltd. ("HHSL").

The Kurzac Group of companies operate Kamloops Home Hardware Building Centre, Prince Rupert Home Hardware Building Centre, Clearwater Home Building Centre and a number of ancillary companies relating to the real estate on which they operate (the "Group").

The Group's supply chain is represented by supplier's that have been vetted through HHSL's stringent policies and review processes (ref: HHSL - 2023 Modern Slavery Report), direct suppliers, and lumber distributors that hold their supply chain to the same high standard as ours.

## 3. POLICIES & DUE DILIGENCE PROCESSES IN RELATION TO FORCED LABOUR AND CHILD LABOUR

The Kurzac Group of companies is committed to a zero-tolerance approach to modern slavery within its business, supply chain and partners. We are committed to act ethically and with integrity in all business-related transactions and relationships.

In general terms, during the reporting period, we completed:

- A review of HHSL's supplier guide (<https://www.homehardware.ca/en/supplier-guide>)
- A preliminary internal assessment of the risks of forced labour and/or child labour in our direct suppliers and trade partners to enhance our internal due diligence process
- Completed a comprehensive review of our internal policies surrounding workplace violence, harassment and inclusion
- Developed an internal anti-slavery policy which is communicated with each new supplier being on-boarded
- Review of the areas of operation for direct suppliers to ensure we are not supporting suppliers operating in high-risk areas of the world

#### 4. RISK ASSESSMENT & MANAGEMENT

We recognize that modern slavery exists in the world. Our policy is a zero-tolerance policy, which is communicated to our staff.

Consideration of the following key risk areas that may be open to modern slavery for our business are:

##### Operations

- Onboarding: verifying identification and legal working status of all new hires
- Ongoing:
  - o training and education in our workforce
  - o ensuring a commitment to upholding our culture and core values

##### Supply Chain

- review of HHSL supplier guide
- committing our direct supply chain to complying with our anti-slavery policy
- auditing our supply chain partners' compliance with our policies

#### 5. EFFECTIVENESS ASSESSMENTS

In 2023 we adopted the following to measure our effectiveness in assessing and managing the risk of modern slavery.

- Implement a direct vendor supplier guide
- Review 10 direct vendors for copies of their policy implemented to prevent modern slavery
- Audit 15 direct vendors for compliance with our direct vendor supplier guide and anti-slavery policy

We are satisfied that we have in place systems to:

- Review HHSL's policies as they relate to modern slavery in the supply chain
- Identify and assess risks of modern slavery in our direct vendor supply chain

This report is made pursuant to the Modern Slavery Act and in particular section 11 thereof. I have reviewed the information and, based on my knowledge, and having exercised reasonable due diligence, I attest that the information in the report is true, accurate and complete in all material respect for the purposes of the Act and the reporting year listed above.

*Rick Kurzac*

**Rick Kurzac**, President & Shareholder  
Kurzac Group of Companies  
May 2024

I have the authority to bind the company.

<b>Title</b>	Modern Slavery Report FY2023
<b>File name</b>	Kurzac_Group_Mode...Report_-_2023.pdf
<b>Document ID</b>	7daf74a3ccd72440590b4b3174940a6bdcde5304
<b>Audit trail date format</b>	MM / DD / YYYY
<b>Status</b>	● Signed

### Document history



SENT

**05 / 29 / 2024**

18:10:58 UTC

Sent for signature to Rick Kurzac (rick.kurzac@hhkamloops.ca) from trisha.watkinson@hhkamloops.ca  
IP: 209.121.134.104



VIEWED

**05 / 29 / 2024**

22:35:12 UTC

Viewed by Rick Kurzac (rick.kurzac@hhkamloops.ca)  
IP: 74.56.243.13



SIGNED

**05 / 29 / 2024**

22:35:32 UTC

Signed by Rick Kurzac (rick.kurzac@hhkamloops.ca)  
IP: 74.56.243.13



COMPLETED

**05 / 29 / 2024**

22:35:32 UTC

The document has been completed.