



2023 Modern Slavery Statement

May 31, 2024

This statement has been prepared to meet our obligations of Canada's "Fighting Against Forced Labour and Child Labour in Supply Chains Act" ("Bill S-211" or the "Act") and related guidance from Public Safety Canada, for the reporting period of January 1, 2023, to December 31, 2023. This is a joint report, and the main reporting entity is Trico Residential Inc. The subsidiaries and affiliates considered in this joint report are:

- Trico Homes Inc.
- Trico Contract Management Inc.
- West 83 Limited Partnership
- Legacy Common Limited Partnership
- Verona 2 Limited Partnership
- Trico Townhomes Limited Partnership
- Crestmont Pointe Limited Partnership
- Chelsea Court Limited Partnership
- Seton 2 Limited Partnership

For the purpose of this report, "Trico Homes" or the "Company" means Trico Residential Inc., and all of its direct and indirect subsidiaries and affiliates as listed above.

Overview

Trico Homes is a leader with over 30 years of experience in the residential construction industry. As a proud certified B Corporation, Trico Homes meets the highest standards of verified social and environmental performance, public transparency, and legal accountability to balance profits and purpose. Trico Homes is committed not only to excellence in residential construction but also to conducting business with a rigorous ethical framework that extends to combating modern slavery in all forms. We are committed to:

- Eliminating discrimination in employment;
- Prohibiting modern slavery, including child and forced labour; and
- Eradicating harassment and physical or mental abuse in the workplace.

With the introduction of Bill S-211, we have begun learning more about the risks and best practices in the fight against forced and child labour, and aims to actively integrates these learnings into our core business activities and key processes, including ways to ensure our key suppliers also demonstrate their commitment to adhere and uphold these principles within their own operations.

Our Structure, Operations, and Supply Chains

Trico Homes operates primarily in Calgary, Alberta, and the surrounding communities of Okotoks, Airdrie, Cochrane, Chestermere, and MD Rockyview, focusing on residential single- and multi-family construction. Our operations encompass the entire lifecycle of homebuilding, from land acquisition and construction to sales, as well as providing service and warranty according to standards set out by the [Alberta New Home Warranty Program](#).

Construction trades, materials and professional consultants are the most significant elements of our project delivery supply chain. These suppliers or contractors are generally engaged on a project-by-project basis. However, Trico Homes has also developed a preferred suppliers and contractors list with the goal to maintain consistency of service and quality.

Our direct contractors and suppliers are all located in Canada, with most located within the Calgary metropolitan area. Major contractors and suppliers in our supply chain are primarily from the following business sectors:

- Project professional consultants and other professionals (e.g., surveyors, valuers, engineers, tax advisors, accountants)
- Construction trade contractors (e.g., pre-cast, formwork, mechanical, electrical, plumbing, joinery, earth works)
- Labour (e.g., installers, contracted site workers)
- Construction materials (e.g., steel, windows, concrete, bricks, tiles)
- Fit-out materials (e.g., major appliances, fixtures, cabinetry, flooring)
- Information technology (e.g., software providers, contract management, cloud computing)
- Media providers for marketing and advertising communications (e.g., digital media, advertising and marketing agencies, website platforms, TV, radio, magazines)

Policies and Due Diligence Processes

Our Commitment to Environmental, Social, and Governance (ESG) Excellence

Trico is committed to continuously improve our environmental, social and governance outcomes. Each decision we make is carefully assessed for its impact on our employees, customers, suppliers, community, and the environment. We are dedicated to:

- **Environmental Stewardship:** Ensuring that our homes are built to the highest standards of energy efficiency and environmental friendliness. Our commitment extends to minimizing our ecological footprint through sustainable practices in material sourcing, waste management, and recycling.
- **Social Responsibility:** Supporting the local economy by prioritizing local suppliers and contractors, thereby fostering community growth and resilience. Our engagement extends to philanthropy in health, wellness, education, and multiculturalism, ensuring that we contribute positively to community welfare.

- **Governance:** Upholding the highest standards of corporate governance, driven by a board of directors committed to ethical decision-making and transparency. This governance framework ensures that all aspects of our business are conducted responsibly, with a focus on long-term sustainability and stakeholder engagement.

Our Core Values and Commitment to Ethical Practices

At Trico Homes, our core values of Trust, Respect, Integrity, Community, and Opportunity are the foundation of everything we do. We've adapted these values to guide our approach to all aspects of our operations and supply chains:

Trust: We foster a culture of transparency and reliability, ensuring all stakeholders can depend on us to uphold ethical practices.

Respect: We treat every individual with dignity and consideration, which is central to our efforts in preventing exploitative practices.

Integrity: Our commitment to doing what is right is unwavering, especially when it comes to protecting the rights of those in our supply chains and operations.

Community: We believe in the power of collective action and community engagement to drive change and create a more ethical industry.

Opportunity: We strive to provide equal opportunities and are vigilant in ensuring that our business practices do not inadvertently support unfair practices.

Our core values and commitment to ethical business practices are clearly outlined in the Company has a comprehensive Code of Ethics and Business Conduct, which are made available to all employees. Our Code of Ethics and Business Conduct outlines the Company's commitment to ethical and responsible business behaviors in all aspects of its operations and integrations.

Trico Homes also upholds a robust Whistleblower Policy that empowers employees and other stakeholders to report any suspicions of unethical practices or policy violations confidentially. This policy is crucial for maintaining transparency and accountability. Reports can be made anonymously, with assurance of no retaliation, ensuring that our business adheres to the highest standards of integrity.

By embedding our core values into our business operations, from policymaking and supplier selection to employee training and stakeholder engagement, we ensure a cohesive and robust approach to ethical business practices, which also supports the prevention and elimination of modern slavery. Our core values not only define us but also drive us to be leaders in ethical business conduct.

Identification and Assessment of Risks in Major Sectors of Our Supply Chain

In recognizing the complexity of modern slavery risks within the construction sector, which involves lengthy and intricate supply chains, Trico Homes acknowledges the presence of these risks in varying degrees across different supply chain elements. The degree of risk can be influenced by several factors, including the geographical location of operations and suppliers, the sources of materials used in construction, and the depth of visibility we can maintain within our supply chain.

In the reporting year, the Company began our assessment of relevant risks in our operations and major sectors of our supply chain:

- *Employees:* At Trico Homes, our commitment to ESG excellence is deeply embedded in our corporate ethos and reinforced by our Code of Ethics and Business Conduct. All employees are based in Canada and are subject to Canadian employment rules and regulations, which are aligned with our high standards for labour practices and ethical conduct. Our certification as a B Corporation also reflects our ongoing efforts to not only lead in residential construction but also in corporate responsibility, including protecting the rights and welfare of our workforce.

We foster an open operating culture where transparency and communication are encouraged at all levels. All employees have direct access to senior managers to report conditions, raise concerns, or provide feedback. This open line of communication ensures substantial oversight over the employment and operating conditions of the entire organization.

By incorporating ESG principles in our day to day operations, setting clear expectation for employees as set out by our Business Code of Ethics and Business Conduct, we regard the risks of modern slavery within our operations as low due to these proactive and protective measures.

- *Construction Materials and Supplies:* the Company generally utilizes local suppliers to source construction materials, parts, and supplies. Where possible, preference is also given to supplies which have ethical certifications, or higher production standard certifications. However, due to insufficient visibility over the suppliers' operations and supply chain practices, as well as the country of origin of source materials or production of parts, we regard the risk of modern slavery with respect to construction materials and supplies as medium to high.
- *Contractors and Labour:* the labour sector may attract unskilled and migrant workers and are known to be risk areas for debt bondage or potential forced or child labour. However, the Company utilizes all local contractors which are required go through screening process, expected to follow the Company's suppliers' code of conduct and adhere to Canadian employment rules and regulations. The Company also has a list of preferred contractors which have long-standing business relationships with the Company and strong understanding of the Company's ethical business practices. Site supervisors also performs site visits frequently to minimize the risk of subcontracting and monitor compliance with health and safety regulations. We regard the risks of modern slavery with our contractors and labour segments within our supply chain as low.

- *Professional services, IT service providers, and media/communication services*: Trico Homes generally seek services in each of these segments from consultants located within Canada or the United States. The services noted generally requires qualified personnel and special skills and is regulated by not only Canadian employment standards but also by professional bodies in certain cases. We have assessed the risks in these segments as low risk within our supply chain.

Actions Taken to Address Modern Slavery Risks

In the reporting year, the Company focused on learning and educating our team regarding the embedded risks in our supply chain process and began the process of risk identification. The Company is committed to continue the development of a comprehensive program in support of the review, assessment, and mitigation of modern slavery within our operations and supply chain. The following are some of the key initiatives and focus areas of the Company:

1. **Policy Development and Implementation:** Ongoing review and strengthening of internal policies and supplier code of conduct to incorporate modern slavery considerations.
2. **Supplier Audits and Assessments:** Further develop existing supplier audits to incorporate additional components to address potential modern slavery risks and concerns.
3. **Employee and Supplier Training:** Ongoing training to employees and suppliers to enhance and strengthen awareness and understanding of modern slavery risks.
4. **Stakeholder Engagement:** Collaborating with industry peers, suppliers, contractors, and other stakeholders to share best practices, strengthen and standardize our approach to combating modern slavery.
5. **Reporting and Transparency:** Committing to the annual publication of our Modern Slavery Statement to maintain transparency and actively engaging stakeholders to increase awareness and involvement in our efforts.
6. **Grievance Mechanism:** Implementing and promoting an effective grievance mechanism that allows employees and other stakeholders to report potential instances of modern slavery securely and anonymously, with assurance of timely resolution.

Remediation Measures and Remediation of Loss of Income

The Company has not identified any instances of forced or child labour in its activities and supply chains within the reporting year ended December 31, 2023, and therefore, has not taken any remediation measures or remediation of loss of income to families as a result of forced labour or child labour.

Training Provided to Employees on Forced Labour and Child Labour

Trico Homes' employees receive regular training on ethical topics and the Company's policies. All new employees are assigned a mandatory onboarding training package which includes training on the Company's Code of Ethics and Business Practices.

The Company have also engaged external consultants to host an initial workshop to targeted internal audiences to learn about Bill S-211, reporting obligations and requirements, and increase awareness of risk factors and processes within our operations to mitigate modern slavery.

Effectiveness Assessment of These Actions

Trico Homes recognizes that modern slavery is a persistent and evolving challenge, and the Company is in the early stages of developing our approach. In the reporting year, Trico Homes has not yet taken any actions to assess the effectiveness of the policies and due diligence processes currently in place. The Company intends to assess its effectiveness in preventing and reducing risks of forced labour and child labour in its activities and supply chains at a later stage.

Approval and Attestation

This Report was approved pursuant to subparagraph 11(4)(a) of the Act by the Board of Directors of Trico Residential Inc.

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 the report for the 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 Act, for the reporting year ended December 31, 2023.

I have the authority to bind Trico Residential Inc.

Michael Brown

Michael Brown
President & CEO, Trico Residential Inc.