

Tricor Pacific Capital Inc.

2023 Annual Report pursuant to the Fighting Against Forced Labour and Child Labour in Supply Chains

Introduction

This report constitutes the first report prepared by Tricor Pacific Capital Inc. ("Tricor") in response to the reporting requirements under Canada's new Fighting Against Forced Labour and Child Labour in Supply Chains Act (the "Act"), for our financial year ended December 31, 2023. This is a joint report made on behalf of Tricor and the following entities, which we have determined, based on consolidated financial statements, are reporting entities under the Act:

- 37th Street Bakery, LLC (US corporation)
- Dinoflex Group Limited Partners (BC corporation)
- EVS Master Hold Co., LLC (US corporation)
- Overland Container Transportation Services (2013) Corp. (Alberta corporation)
- Rockmount Research and Alloys (Canada) Inc. (BC corporation)

The report will be published annually to chronicle the steps taken by Tricor to assess, prevent and mitigate the risk of forced labour or child labour in our businesses. Unless the context otherwise requires, references to "Tricor", "we", "us" and "our", include the reporting entities.

Organizational Structure, Activities, and Supply Chains

Tricor is a privately owned family office, actively investing capital in a diverse group of companies and investments. It is the owner of a broad portfolio of companies operating in a variety of sectors, including manufacturing, distribution, food, transportation services, quarrying, industrial and real estate.

Headquartered in Vancouver, Canada, Tricor operates manufacturing facilities, quarrying, sales, administration, and warehouses in Canada and the USA across 8 locations. Tricor employs an average of 175 employees in Canada and 415 employees in the USA.

Our suppliers are primarily based in the operating countries, and we therefore mostly work with suppliers in Canada and the USA. The principal raw materials we use are stone, rubber, metal and metal alloys, and food products such as baking ingredients. We also use cardboard, packaging materials, operating supplies and energy.

Tricor strives to work with suppliers, agents, consultants, and other third parties and business partners, as well as their respective employees, directors, and officers, (collectively “Suppliers”) who share our commitment to social, ethical, and environmental responsibility.

Policies and Due Diligence Processes

Tricor completes a risk assessment of each subsidiary upon acquisition as part of our due diligence procedures, which includes risks in supply chain and labour. Ongoing risk assessments are conducted by management as needed. The Board of Directors provides oversight and receives regular updates from management teams on a monthly and quarterly basis which includes monitoring and approving strategies and policies relating to supply chain and labour.

We are committed to working with current and prospective suppliers to uphold ethical business practices. Our policies and practices include:

1. Governance model – Tricor’s governance model is intended to outline expectations on compliance with relevant laws, regulations and binding agreements, guidance on shareholder and board interaction, financial reporting requirements and policy updates.
2. Policies – Responsible business conduct is embedded into policies and management systems.
3. Employee handbook – Employee manuals provide guidance to all employees on expectations for employee conduct and compliance with relevant laws and regulations.
4. Age verification screening – Pre-employment background checks are completed on all candidates prior to employment and age verification is part of the pre-employment screening process.
5. Monitoring – We monitor potential supply chain links for goods sourced through the use of child labour.

Forced Labour and Child Labour Risks

Apart from monitoring suppliers, to date, Tricor’s risk management approach has focused on risks to workers in our own operations, including respecting the safety and human rights of workers and protecting young workers in our manufacturing, distribution and transportation operations.

We acknowledge that understanding the risks of forced labour and child labour in our supply chains is critical to targeting our actions and engagement with our suppliers. In line with the UN Guiding Principles, identifying and prioritizing the most salient risks connected to our operations and business relationships is key to preventing and mitigating forced labour and child labour. We are committed to improving our understanding of the risks in our supply chain, including by

engaging in research, mapping our supply chain against publicly available information, and seeking feedback from workers, manufacturers, distributors and communities.

We recognize risks of forced labour and child labour in the global supply chain include vulnerable populations, such as domestic and foreign migrant workers, temporary workers, and young workers, and region-specific risks, such as countries with large populations of migrant workers, weaker employment law enforcement, where charging workers for recruitment fees is a common practice, or where prevalence of modern slavery has been documented.

We have not identified any forced labour or child labour in our activities and supply chains.

Remediation

Not applicable, no incidences of child labour or forced labour were identified in Tricor activities or supply chains. We therefore did not take any measures to remediate instances of forced labour or child labour.

Remediation of Loss of Income of Vulnerable Families

Not applicable, Tricor has 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.

Training

Where applicable, training is part of the onboarding package in an effort to create awareness and possible capture of suspect activity, and the policy is included in the Employee Handbook. For higher risk areas additional programs and training may be provided. For example, in 2023 37th Street Bakery introduced the Ethical Trading Initiative to educate and adhere to the expectations set forth. Further information on the Ethical Trading Code can be found at www.ethicaltrade.org.

Assessing Effectiveness

Tricor is committed to upholding responsible supply chains and recognizes the importance of continuous measures to identify and address any instances of forced and child labour throughout our businesses and their supply chains. We recognize our responsibility to assess the effectiveness of the measures we undertake, which we do in select cases through supplier questionnaires on social responsibility and by conducting periodic reviews of our suppliers' policies and procedures related to forced labour and child labour.

We have identified the following opportunities to further enhance our ability to prevent and reduce the risks of forced labour and child labour in our business, and assess the effectiveness of our existing approach:

- conducting internal reviews to assess strengths and opportunities;
- developing procurement practices to mitigate risks of forced and child labour, including expanding our supplier risk assessments to gain a deeper understanding of potential exposure;
- developing and delivering employee training on child and forced labour for employees in key business functions; and
- participating in industry-wide initiatives focused on combating forced labour and child labour in global supply chains.

Approval and Attestation

This report has been approved by the Board of Directors of Tricor Pacific Capital Inc. In accordance with the requirements of the Act, and in particular section 11 thereof, I attest, in my capacity as a Director of the Board of Directors, 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 the Act, for the reporting year listed above.

I have the authority to bind Tricor and its subsidiaries.

Shawn Lewis

Shawn Lewis
President, Chief Executive Officer and Director
Tricor Pacific Capital Inc.
May 31, 2024