

Joint Report of Champion Canada Modular Ltd., Champion Canada Holdings, Inc. an Ontario corporation, Champion Homes, Inc., and Champion Home Builder's Inc. under Canada's Fighting Against Forced Labour and Child Labour in Supply Chains Act

May 29, 2025

INTRODUCTION

Champion Canada Modular Ltd., an Alberta business corporation, , Champion Canada Holdings, Inc., an Ontario corporation, Champion Homes, Inc., an Indiana Corporation, and Champion Home Builders, Inc., a Delaware corporation (collectively, the "Reporting Entities"), submit this Joint Annual Report on Forced Labour in Supply Chains pursuant to Canada's Fighting Against Forced Labour and Child Labour in Supply Chains Act (the "Act"). The Act requires certain covered entities and government institutions and submit a publicly available annual report to the Minister of Public Safety and Emergency Preparedness annually by May 31. Reports must detail the steps taken during the preceding fiscal year to prevent and reduce the risk that forced or child labour is used at any step in the supply chain of goods produced or sold by the covered entity in Canada or elsewhere, or for goods imported into Canada by the covered entity.

OVERVIEW, OPERATIONAL SCOPE AND STRUCTURE OF REPORTING ENTITIES

Champion Canada Modular

Champion Canada Modular Ltd., an Alberta business corporation, is a wholly owned subsidiary of CHB Holdings, B.V. It manufactures factory built modular buildings out of five locations in Penticton and Kelowna, British Columbia, Medicine Hat and Lethbridge, Alberta, and Estevan, Saskatchewan. On May 22, 2025 it announced it would be ending operations at its Kelowna location during fiscal year 2026. Champion Canada leases two and owns three of those locations. It operates under trade names SRI and Moduline. It does not exercise any direct or indirect control over any other corporation, trust, partnership, or unincorporated organization.

Champion Home Builders

Champion Home Builders is a United States corporation incorporated in Delaware and Headquartered in Troy, Michigan. It is a wholly owned subsidiary of Champion Homes, Inc., and the largest factory-built housing manufacturer in the United States producing homes from its 43 owned or leased manufacturing facilities in the US. It sells its manufactured and modular single and multi-family housing to independent and captive retailers throughout the United States and Canada who ultimately sell to end consumers.

Champion Canada Holdings

Champion Canada Holdings is an Ontario corporation formed in 2023 to acquire a 19.9% ownership share in ECN Capital. It owns 51% of Champion Financing, LLC, a United States limited liability corporation and joint venture with ECN Capital affiliate Triad Financial Services. Neither Champion Canada Holdings nor Champion Finance currently have any Canadian operations.

Champion Homes

Champion Homes, Inc. is a United States corporation headquartered in Troy, Michigan, and publicly traded on the New York Stock Exchange under the ticker symbol SKY. It was formed in 2018 through a reverse merger between Skyline Corporation and Champion Enterprise Holdings, LLC. It officially changed its name from “Skyline Champion Corporation” to “Champion Homes, Inc.” on August 5, 2024. Champion Homes has two wholly owned subsidiaries operating in Canada: Champion Canada Holdings and Champion Home Builders. Globally, the Champion Homes family of companies’ employees over 9,056 employees, with 767 of those in Canada.

STEPS TAKEN TO PREVENT AND REDUCE THE RISK OF FORCED AND CHILD LABOUR

As one of the largest manufactured housing providers in North America, we source our raw and finished goods used for constructing our homes and buildings from local, regional, and international suppliers. Our primary raw material is forest industry products. We source many other components such as completed appliances, shingles, siding, windows, doors, and fixtures and finishes.

POLICIES AND DUE DILIGENCE PROCESS

The Champion Homes Supplier Code of Conduct applies to all of our suppliers and establishes a baseline of the ethical labour and health and safety business standards expected of all our suppliers. As the parent company to all operations and the Reporting Entities, Champion Homes has certain corporate policies and procedures applicable to all operations, including its Code of Conduct and Business Ethics, Antihuman Trafficking Policy, and Supplier Code of Conduct – all of which prohibit the use of forced, child, or slave labour in our operations and encourages our partners, suppliers, and contractors to adopt similar policies. We also encourage reporting and provide an anonymous means to do so through our independent third-party staffed Ethics Hotline which is available to all employees in every country in which we operate, all while supporting overall ethical business practices within our operations.

For fiscal year 2025 ending March 29, 2025, Champion Homes partnered with outside vendor Source Intelligence to conduct a Human Rights Assessment of the supply chain focused on Champion Canada Modular Ltd. Historically, Source Intelligence has undergone an annual Antihuman Trafficking audit of the United States Supply Chain of the Reporting Entities for compliance with the California Transparency in Supply Chains Act, and a Conflict Minerals audit of the overall supply chain for the presence of tin, tungsten, tantalum or gold in the supply chain of the Reporting Entities from conflict zones. This is the second fiscal year for the annual full Human Rights Assessment (the “HRA”) auditing the supply chain for child, forced, or slave labour in the supply chain. The HRA audit of the Canadian supply chain closed in May 2025.

The HRA traces the supply chain by beginning with Tier 1 and then expanding to Tier 2, with Tier 3 capabilities in development. It validates supplier names against the global sanctions list, then validates supplier processes and procedures against universal principals for human rights protection and includes supporting documentation. It then checks the supplier risk associated with their operating locations via (a) a country score, which ranks countries against the potential for human rights violations, and (b) region alert, which flags specific hot zones (provinces, regions and

countries) that currently have severe human rights concerns. This process is achieved by sending a comprehensive questionnaire to suppliers designated to be in scope. Of the 184 suppliers surveyed, 47 responded. Of those responses, we feel there is a low risk of noncompliance with international human rights standards and would have minor potential human right impacts.

FORCED LABOUR AND CHILD LABOUR RISKS

Based on the HRA and our evaluations to date, we have concluded that the risks of forced labour and child labour in our supply chain are low and that the highest risk in our organization is identified as temporary agency workers and independent contractors who do not go through our employment verification process.

We have had no reports of suspected violations through our Ethics Hotline or any other channel available to employees, contractors, and suppliers to report suspected ethics and compliance violations.

REMEDIATION

To date, we have not identified any instances of forced, child, or slave labour in our organization or supply chain. As such, there are no current remedial measures in place. Notwithstanding, going forward, we intend to review the results of every annual HRA audit and identify any supplier who may achieve a ranking of “high risk.” From there, a dialogue with the supplier will commence understanding what metrics registered as high risk, and what steps they are taking to mitigate that risk going forward. If necessary, we will determine whether to exclude any such supplier who obtains a high risk rating with no regard for the consequences from any future sourcing needs.

TRAINING

In conjunction with the roll out of the HRA, in calendar year 2024 we introduced a mandatory one-hour Human Rights Due Diligence in the Supply Chain online training offered by Source Academy to designated responsible individuals within the Canadian operations. Training was entirely completed in the first year and will be relaunched this year with a completion deadline no later than the end of calendar year 2025. This will include additional online courses, including Forced Labor in the Supply Chain and How to Identify and Prevent Forced Labor in the Supply Chain to all designated responsible employees of Reporting Entities, with a completion deadline no later than the end of calendar year 2025.

ASSESSING EFFECTIVENESS

Our due diligence process is intended to identify and rank any risks of potential forced, child, or slave labor or other unethical conduct in our supply chain. We will continue to expand this process through our HRA and other supplement diligence to Tier 3 suppliers and monitor the need for expanded diligence and risk categories.

APPROVAL AND ATTESTATION

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 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.

Name: Timothy Larson

Title: President and CEO, Champion Homes, Inc.

Date: May 30, 2025

Signature: 

I have full authority to bind Champion Homes, Inc. and its affiliated Reporting Entities.