

2023 REPORT UNDER THE *FIGHTING AGAINST FORCED LABOUR AND CHILD LABOUR IN SUPPLY CHAINS ACT*

Introduction

This joint report has been prepared by PARC Communities Management Ltd. (“**PARC**”) in response to the requirements under Canada’s *Fighting Against Forced Labour and Child Labour in Supply Chains Act* (the “**Act**”) for our financial year ending December 31, 2023.

PARC is committed to promoting labour practices that protect the human rights of workers, including preventing and mitigating the risks of forced labour and child labour in our operations and supply chains.

Organizational structure, activities, and supply chain

PARC’s head office is in Vancouver, British Columbia. We design, develop, and operate independent senior living residences in British Columbia, employing approximately 350 employees, and occasionally hiring temporary employees and contractors through reputable agencies. We comply with Canadian health and safety, human rights, and employment standards regulations governing hours of work, safe working conditions, and age of employment.

Our residences have resort-style amenities and restaurants that serve a variety of food and beverages to our residents and their invited guests. We procure food and beverages from Canadian-based distributors as well as local grocers and producers.

We also procure construction supplies, tools, recreational equipment, information technology, and office supplies to develop and maintain our residences, from reputable Canadian suppliers and distributors. We occasionally import goods into Canada. We carefully select our suppliers based on their reputation as well as the quality of their goods and services.

Steps to prevent and reduce the risks of forced labour and child labour

In this reporting year, our approach to preventing and reducing the risks of forced labour or child labour in our operations and supply chain was to:

- Continue implementing workplace safety and human rights procedures and verifying age requirements in accordance with applicable Canadian employment laws
- Educate workers on health and safety policies, expected conduct, and food safety certification
- Procure from reputable, long-term suppliers and prefer sourcing local products

Policies and due diligence processes

PARC is committed and dedicated to providing a comfortable, dignified, and respectful living environment to our residents. Our Code of Conduct and Ethical Standards sets our expected standards of conduct in our operations, which requires our employees to act ethically, honestly, and compassionately in all our business operations.

To prevent the use of forced labour and child labour in our operations, PARC has adopted policies, rules, and procedures to comply with applicable Canadian laws relating to health and safety, human rights, and employment standards regulations governing our hours of work, safe working conditions, and age of employment. These policies, rules, and procedures apply to all employees of our residences, including temporary workers and contractors. We comply with applicable laws and policies in our onboarding processes, including verifying minimum age and ensuring that our employees have the experience, skills, knowledge, and physical capability to serve our residents. We require our employment agencies to confirm that they operate in accordance with British Columbia employment standards, safety, and human rights laws.

In our supply chains, we are committed to doing business with reputable, ethical suppliers. Our suppliers are located in Canada and therefore subject to Canadian laws governing working conditions and age of employment. We carefully select our suppliers based on their reputation as well as the quality of their goods and services. Our contractual terms require suppliers and contractors working onsite at our residences to comply with applicable laws, including safety, human rights and accessibility, and follow the policies and procedures established by PARC.

Assessing the risk of forced labour and child labour

PARC operates in Canada and complies with Canadian employment, labour, human rights, and safety laws. We conduct business with long-term reputable suppliers and contractors in Canada. To date, we are not aware of any reports or incidents of forced labour or child labour and have identified the risk of forced labour and child labour in our operations and direct supply chain to be low.

We rely on our suppliers to adopt ethical procurement practices and respect the human rights of workers in their supply chains. As transparency over the Canadian supply chain increases, we are committed to continuously improving our approach to engaging with suppliers and monitoring risks of forced labour and child labour in the extended supply chain.

Remediation measures and remediation of loss of income

We have adopted written policies, including a Whistleblower Policy, to encourage our employees and residents to report concerns relating to wrongdoing, including health and safety, working conditions, harassment, and threats of violence. We have documented procedures to resolve claims of wrongdoing in a confidential, fair and timely manner. We protect complainants against retaliation.

To date, we have not received any complaints relating to forced labour or child labour in our operations or supply chain, and as such have not taken any remediation measures or remediation of loss of income to families as a result of forced labour or child labour.

Employee training

Our employees undertake a range of onboarding training on complying our expected health and safety standards, the expected standards of conduct when interacting with others, and the avenues for raising and resolving issues and complaints.

Assessing effectiveness

PARC actively monitors the risks associated with our operations and regularly updates our board of directors on emerging risks that impact our operations, compliance, and reputation.

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 entity 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.

Dated in the City of Vancouver, British Columbia, this 30th day of May, 2024.

Viviane Mueller

Viviane Mueller, Co-CEO

I have the authority to bind PARC Communities Management Ltd.