

Fighting Against Forced Labour and Child Labour in Supply Chains Act

Sifton Properties Limited &
Devonshire Erin Mills Incorporated
Consolidated Report

Entity Report
2023 Annual Report



ABOUT THIS REPORT

This consolidated report, prepared in accordance with the Canadian Fighting Against Forced Labour and Child Labour in Supply Chains Act (the Act), outlines the measures taken by Sifton Properties Limited and Devonshire Erin Mills Incorporated (together referred to as "Sifton") during the fiscal year ending December 31, 2023. The report details efforts to prevent and mitigate the risks of forced labour and child labour within Sifton's operations and supply chains. The terms "forced labour" and "child labour" are defined as per the Act.

Table of Contents

OUR BUSINESS	03
Structure and Activities	03
Supply Chain	04
OUR COMMITMENT	05
Actions to prevent and reduce risk	
OUR POLICIES	06
OUR ASSESSMENT	07
Operational Analysis and Vendor Mapping	
OUR ACTION	08
Adapting and Addressing Risk	08
Remediation Measures	08
Training and Awareness	09
Assessing Effectiveness	09
APPROVAL AND ATTESTATION	10

OUR BUSINESS

Structure and Activities

Founded in 1923, Sifton Properties Limited (BN: 104851886) is a family-owned corporation specializing in land development and property management. Originally established as a home builder, we have expanded our operations to encompass various sectors, including Neighbourhood Development, New Home Construction, Commercial Construction, Residential Leasing, and Commercial Leasing.

Devonshire Erin Mills Incorporated (BN:880050224) is a subsidiary of Sifton Properties Limited operating Retirement Communities. Headquartered or principally located in Ontario Canada, Sifton Properties Limited and Devonshire Erin Mills Incorporated have business presence in Canada, assets in Canada, and meet the reporting thresholds for assets, revenue and employees.

Activities include producing goods, selling goods, and providing services.

OUR BUSINESS

Supply Chain

Supply chains encompass various sectors and industries, including:

- Construction
- Manufacturing
- Real estate and rental leasing
- Accommodation and food services

These sectors form the backbone of our supply chain network, contributing to the diverse range of products and services that support our operations.

OUR COMMITMENT

Sifton has taken comprehensive measures to identify, prevent and mitigate the risk of forced labour or child labour in any stage of our supply chain, whether in Canada or abroad, as well as in goods imported into Canada by Sifton. These measures include vendor mapping activities, conducting internal assessments to identify risks of forced labour and/or child labour, and subsequently developing and implementing action plans to address any issues. Moreover, Sifton has established due diligence policies and processes aimed at identifying and addressing the use of forced labour and/or child labour across its activities and supply chains. The company's application of due diligence procedures when establishing and developing relationships with its suppliers sets an expectation that they will have appropriate policies and procedures in place to identify and prohibit the use of forced and/or child labour.

Additionally, Sifton is developing an action plan to audit and monitor suppliers to ensure compliance with these policies and to uphold ethical standards throughout its operations. These concerted efforts underscore Sifton's commitment to ethical sourcing and responsible business practices.

OUR POLICIES

We have comprehensive policies and standards of conduct designed to protect human rights and prevent forced labour and child labour.

Workplace Harassment & Violence Prevention Policy: Sifton is dedicated to safeguarding the well-being of its employees by ensuring a workplace free from harassment, threats, and violence. We commit to taking all reasonable measures to protect our team members.

Human Rights Policy: Sifton supports the position that every person has a right to freedom from harassment and discrimination. We maintain a high standard of conduct when dealing with people.

Diversity and Inclusion Policy: Sifton is committed to fostering, cultivating, and preserving a culture of diversity and inclusion that creates a sense of belonging together.

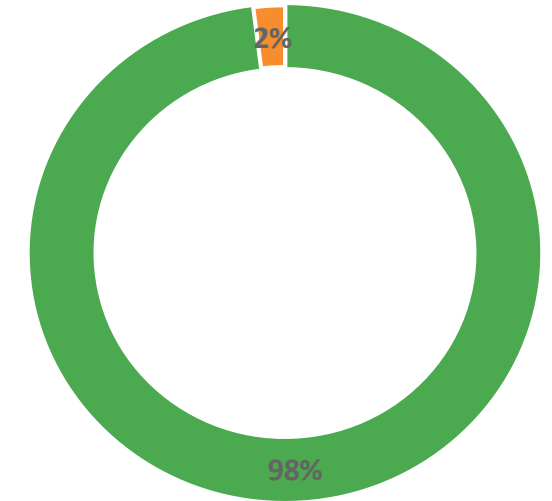
Forced Labour and Child Labour in Supply Chains Policy: Sifton is committed to mitigating the risks associated with the Fighting Against Forced Labour and Child Labour in Supply Chains Act. We work diligently to verify that our vendors align with this Act, striving to prevent child labour or forced labour at any stage of our supply chain.

OUR ASSESSMENT

Sifton has successfully completed a thorough operations analysis reviewing our supply chain. We completed a vendor mapping initiative, identifying all products and services within our supply chain ecosystem. This process has enabled us to gain a comprehensive understanding of our vendor landscape, ensuring transparency and clarity in our business operations.

Building upon this foundation, Sifton has diligently assessed the associated risks inherent in the goods and services provided by our vendors; identifying low risk in 98% of vendors, moderate risk in 2% of vendors and no high risk vendors.

Through this effort, Sifton reaffirms its commitment to excellence and risk management, safeguarding our operations and fortifying our position in the market. As we continue to prioritize transparency, accountability, and resilience, rest assured that Sifton remains steadfast in its pursuit of sustainable growth and operational excellence.



■ Low Risk ■ Moderate Risk ■ High Risk

OUR ACTION

Adapting and Addressing Risk

In instances where moderate or high risk is identified, further due diligence is deemed necessary. Sifton has begun the process to follow up with vendors identified as moderate risk. Should Sifton determine that the vendor's response adequately addresses the concerns, no further action will be taken. If Sifton finds that the vendor is obtaining products from a supply chain with forced and/or child labour we reserve the right to discontinue our partnership with said vendor. Sifton is also developing a new process to screen future vendors before engaging in ongoing business relationships.

Remediation Measures

As Sifton has not identified any forced or child labour in our activities and supply chains at this time, we have not taken any additional measures to remediate:

- any forced and child labour
- the loss of income to the most vulnerable families that results from any measure taken to eliminate the use of forced labour or child labour in its activities and supply chains.

OUR ACTION

Training and Awareness

Our employees have easy access to our comprehensive codes of conduct and policies, ensuring they are well-equipped to screen vendors effectively. Through training sessions, they are empowered with the knowledge and skills necessary to make informed decisions. Moreover, our employee intranet provides resources to support their efforts in upholding our standards. We also take pride in sharing this report internally, showcasing the diligence and commitment of our team in addressing these critical issues. It reflects our ongoing dedication to maintaining ethical practices throughout our operations.

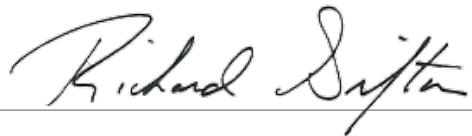
Assessing Effectiveness

Sifton is committed to addressing the risks of forced labour and child labour in our business and supply chains. As described in this report we have introduced a number of measures to identify, prevent, and reduce risks. We will continue to measure risks and assess the effectiveness of these measures.

APPROVAL AND ATTESTATION

We, the undersigned Officers of Sifton Properties Limited hereby attest that we have reviewed and approve the consolidated report prepared by our organization in accordance with the "Fighting Against Forced Labour and Child Labour in Supply Chains Act".

In accordance with the requirements of the Act, and in particular section 11 thereof, we, the undersigned, attest that we have reviewed the information contained in this consolidated report for the entities specified at the outset of this report. Based on our knowledge, and having exercised reasonable diligence, we attest that the information in this consolidated report is true, accurate and complete in all material respects, for the purposes of the Act, for the reporting period of the fiscal year ended December 31st, 2023.



Richard Sifton, President & CEO
Sifton Properties Limited



David Thomson, Chief Financial Officer
Sifton Properties Limited