

Statement Regarding Bill S-211

MAY 2024



Background

This report relates to Century Group's requirements under the [Fighting Against Forced Labour and Child Labour in Supply Chains Act](#).

According to the International Labour Organization, forced labour exists globally across all sectors, with about 27.6 million victims, including 17.3 million in the private economy. The risks of forced labour and child labour often arise in global supply chains, affecting goods imported into Canada. Entities and government institutions doing business in Canada must identify, address, and eradicate exploitative practices from their supply chains.

The measures introduced through Bill S-211, An Act to enact the Fighting Against Forced Labour and Child Labour in Supply Chains Act and to amend the Customs Tariff (The Act), aim to increase industry awareness and transparency and drive businesses to improve practices.

Century Group Lands Corporation satisfies the definition of an Entity within The Act by having a place of business in Canada, doing business in Canada, having assets in Canada, and meeting the asset, revenue, and number of employee reporting thresholds. This report covers the financial year 01 January – 31 December 2023. This is the first version of the joint report submitted by Century Group Lands Corporation and its subsidiaries ("Century Group").

The core requirement is found in Subsection 11(1), which includes the requirement that we report on the steps an entity has taken during its previous financial year to prevent and reduce the risk that forced labour or child labour is used at any step of the production of goods in Canada or elsewhere by the entity or of goods imported into Canada by the entity.

Subsection 11(3) lists seven additional reporting elements for an entity falling under The Act:

1. Its structure, activities and supply chains.
2. Its policies and due diligence processes in relation to forced labour and child labour.
3. The parts of its business and supply chains that carry a risk of forced labour or child labour being used and the steps it has taken to assess and manage that risk.
4. Any measures taken to remediate any forced labour or child labour.
5. Any measures taken to remediate 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.
6. The training provided to employees on forced labour and child labour.
7. How the entity assesses its effectiveness in ensuring that forced labour and child labour are not being used in its business and supply chains.

This report is Century Group's response to Bill S-211, sections 11(1) and 11(3).



Structure, Activities & Supply Chain Structure

Structure & Activities

Century Group is a private group of companies operating primarily in Metro Vancouver, British Columbia. Century Group develops and constructs residential, commercial, and mixed-use real estate and owns and manages a diverse operating portfolio of residential and commercial rental properties, hotels, retirement communities, and restaurants. Century Group's businesses and endeavours operate under various brands, including Century Group, BlueCity Construction, Barbican Property Management, and Bria Communities. Our mission is to "Curate Places People Love." Century Group consists of Century Group Lands Corporation and its subsidiaries and joint ventures and employs approximately 750 employees in Canada.

Century Group is governed daily by the Senior Executive Team, which consists of the President and five Vice Presidents. The Team makes strategic decisions about Century Group's direction, including the specific entities in this joint report.

The four entities included in this joint report all meet the requirements of The Act and are listed below:

Century Group Lands Corporation

Century Group Lands Corporation develops real estate and owns and operates residential and commercial rental properties and a hotel. In 2023, this entity met all three reporting criteria (assets, revenues, and number of employees).

BlueCity Construction Corporation

BlueCity Construction Corporation is a General Contractor that oversees all construction activities, sources materials, and hires and manages subcontractors. In 2023, this entity met two of the three reporting criteria (assets and revenues).

Bria Communities GP Corporation & Bria Communities Limited Partnership

Bria Communities operates seniors' homes, providing comprehensive care, hospitality, meals, and cleaning services. In 2023, these entities met all three reporting criteria (assets, revenues, and number of employees).



Supply Chain

Century Group utilizes local suppliers for most of its supply chain, including construction materials (eg. lumber, concrete, glass and gypsum), food, electronics, and garments/textiles. Material spending in 2023 involved approximately 60 direct material suppliers located in Canada. For the purpose of this report, material direct suppliers are those suppliers that make up the top 80% of procurement spend.

Policies & Due Diligence

Current Policies

Century Group aims to keep its supply chain local whenever possible. As such, the majority of purchases are made in Canada, generally in the Metro Vancouver area, with occasional purchases being made in the US. Although the risk of forced labour and child labour is deemed low in the organization, steps have been taken to ensure appropriate supply chain partners are used. Issues and concerns with vendors are tracked, and future purchasing from poor-performing vendors is prevented. Any concerns of forced labour or child labour would be brought to the direct and immediate attention of the Senior Executive Team.

Due Diligence

Century Group performs training on vendor selection and the accompanying due diligence of vendors. We recognize that further training can be provided to employees to minimize the risk of forced labour and child labour. To counteract this risk, additional mandatory training guidelines are being developed for employees that directly impact vendor selection.

Risk Assessment

A risk assessment of Century Group's operations and supply chain spend, goods procured, and countries where procured goods originate has been performed on material direct suppliers, which, for the purpose of this report, are those suppliers that make up the top 80% of procurement spend. This risk assessment used two separate indices to analyze the potential risk of child and/or forced labour related to goods and countries of origin - [Walk Free's Global Slavery Index](#) and the [US Department of Labor's List of Goods Produced by Child Labor or Forced Labor](#).



Industries

Century Group operates within multiple industries, of which the level of risk of forced labour and/or child labour differs as follows:

- Construction is rated as a high-risk industry.
- Accommodation and food services are rated as high-risk industries.
- Property management, real estate, and leasing are rated as low-risk industries.

Origin of Goods

Century Group's suppliers are based in Canada, a low-risk country according to the Global Slavery Index by the Walk Free Organization and the US Department of Labor.

Category of Goods

Per the 2022 List of Goods Produced by Child Labour or Forced Labour published by the US Department of Labor's Bureau of International Labor Affairs, some goods procured by Century Group are in the extreme and high-risk categories, including concrete, lumber, electronics, food items, textiles, glass, and gypsum.

During the risk assessment, Management noted that many Century Group suppliers have policies to vet and assess their supply chain, which provides additional information, including transparency, to the risk assessment inputs.

Other Factors

Other factors considered for the risk assessment included, but were not limited to:

Long-term partners lower the risk: Suppliers with whom Century Group has maintained a long-term relationship, consistently proving their commitment to ethical labour practices.

Suppliers with unionized workforces lower the risk: Suppliers whose workforce is represented by labour unions are recognized for their advocacy of workers and human rights.

This comprehensive risk assessment revealed that none of the suppliers pose a high risk of forced or child labour.

Remediation - Forced & Child Labour & Vulnerable Family Income Loss

To date, Century Group has not identified instances of child labour or forced labour within its operations or those of its suppliers.



Awareness Training

In 2023, a member of the Senior Executive Team attended various training regarding Bill S-211. Century Group recognizes the opportunity to enhance employee training relevant to this Act and will evaluate and provide applicable training for executives and staff in 2024.

Conclusion

On 31 May 2024, Century Group completed and reported its initial assessment of Bill S-211. It remains committed to ongoing reviews of its processes, policies, and practices, including the assessment of its suppliers. This commitment aims to align with industry-leading practices and mitigate the risks of forced labour and child labour.

Though the current assessed risk for forced labour and child labour within Century Group is low, Century Group will continuously assess and determine if there are areas in its supply chain that are at risk of forced or child labour.

Approval and Attestation

The report relates to 2023 and applies to Century Group, which for the purpose of The Act includes Century Group Lands Corporation, BlueCity Construction Corporation, Bria Communities GP Corporation, and Bria Communities Limited Partnership.

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.

Sean Hodgins

Director & President

31 May 2024