

ROVECONCEPTS

Modern Slavery Report – Financial Year 2023

This document constitutes Rove Concepts Ltd. ("Rove Concepts", the "Company", "we" or "our") report ("Report") pursuant to section 11 of Canada's Fighting Against Forced Labour and Child Labour in Supply Chains Act (the "Act") for the financial year ended December 31, 2023, on the steps taken to prevent and reduce the risk that Modern Slavery (as defined below) is used at any step of the production of goods in Canada or elsewhere or of goods imported into Canada. This Report covers Rove Concepts' operations across North America.

INTRODUCTION

At Rove Concepts, we recognize that modern slavery can occur in many forms, including indentured servitude, human trafficking, forced labour, forced marriage, debt bondage, child labour and deceptive recruiting for labour or services (collectively, "Modern Slavery"). We understand that Canadian entities such as Rove Concepts, along with other stakeholders, can play a key role in the fight against Modern Slavery and that the Act encourages Canadian entities to assess and address Modern Slavery risks in their operations and supply chain. Rove Concepts is committed to a responsible supply chain of business partners that share our commitment to doing business with integrity and understand that respect in the workplace is the foundation for doing business with integrity. We aim to identify Modern Slavery risks and address those risks in our supply chain and operations through a process of continuous improvement and collaboration with all relevant stakeholders across our operations.

Rove Concepts was born out of a desire to connect luxury designs and sustainability with those who seek it. Since our founding, we have been committed to driving meaningful change as an eco-design house. We started off with planting trees and as we grew as a company we started to think on a larger scale how we could make a positive impact in the world, like using more eco-friendly materials in our designs, through a responsible supply chain. We know that there is more we can do to make a positive change.

OUR STRUCTURE, ACTIVITIES, AND SUPPLY CHAIN

Rove Concepts is a high-end, online modern furniture business. We have a strong online presence and a commitment to design. We strive to create inspiring spaces for our customers.

We have a corporate office located in Vancouver, Canada. We have employees or contractors based in Canada, USA, Philippines, and Vietnam, including across five showrooms across North America.

Rove Concepts procures goods from several jurisdictions globally, with our suppliers located in China, Vietnam and Malaysia. We operate a centralized procurement function based out of our Vancouver head office. We purchase furniture that is fully assembled, or light customer assembly required, imported mainly via sea freight, and then distributed across North America by road and rail. We do not directly source any raw materials.

RISK OF MODERN SLAVERY IN OPERATIONS AND SUPPLY CHAIN

When considering the risks of modern slavery practices at Rove Concepts, attention was given to the potential for Rove Concepts to cause, contribute to, or be directly linked to modern slavery through its operations and supply chain.

Rove Concepts' operations are predominantly based in Canada and USA, which according to Walk Free Foundation's Global Slavery Index 2023 are low risk geographical regions due to the existence of robust human right statutory protections and regulatory oversight. As such, combined with our approach to corporate governance, we believe that Rove Concepts is generally at low risk from directly engaging in forced labour and child labours through our operations.

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We ask all our suppliers to adhere to our supplier onboarding guidelines. Our procurement team, through a combination of employed staff and contractors, visit and inspect many of suppliers every year in the course of their work, which includes a review with supplier management of all compliance requirements. We conduct regular on-site quality control at all suppliers, that provides further opportunity to observe any compliance issues. We require and empower the observation of any practices that could give cause to concern.

In 2023, nothing came to our attention in respect to Modern Slavery, and therefore no remediation efforts were required in the year. Our 2024 compliance processes strengthen this to specifically seek out such risks more explicitly.

THE WAY FORWARD

Already in 2024, we have engaged with and consulted with personnel in key departments of the respective operating segments, issued a questionnaire to all significant suppliers, and reviewed our existing supplier documentation and employee procedures.

We have started by asking all supply chain partners who manufactured our finished products ("Primary Suppliers") to complete a forced labour and child labour compliance form as a risk assessment process, and were required to have signed by an official representative of the company. The majority of Primary Suppliers have provided responses by the date of this report, which all showed compliance with our expected practices. We have identified learnings and opportunities to build on our first year of reporting, to improve our internal processes and documentation, with the target of all Primary Suppliers being visited, certified and compliant under the Act for 2024

Leadership at all levels of our company is responsible for ensuring that those in our charge understand and comply with the policy. We commit to providing adequate and regular training on the issues and challenges of modern slavery in supply chains. We are aware that human rights risks may change as our business evolves. We are committed to continued engagement to regularly assess the impacts of those changes on our business.

The Chairman of the Board of Directors of Rove Concepts Ltd. has approved and signed this Report.

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 or 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."

Art Lee, CEO & Chairman of the Board of Directors



May 29, 2024

I have the authority to bind Rove Concepts Ltd.