

MAKR Play Group – Compliance Report under the *Fighting Against Forced Labour and Child Labour in Supply Chains Act*

(a) Structure, Activities, and Supply Chains

Structure

MAKR Play Group is a privately held Canadian corporation headquartered in Kelowna, British Columbia. MAKR Play Group wholly owns and exercises operational control over its four entities:

- **Parkworks:** Specializes in the sale and installation of commercial park and playground equipment.
- **Waterplay Solutions Corp:** Manages group-level sales, marketing, customer service, administration, and accounting functions.
- **WeKid Manufacturing:** Operates as the internal manufacturing division, producing custom-designed components and assemblies.
- **Kinderplay Designs (Lessor of Real Estate) & GDEH Investment Corp (Investment/Holdings):** does not engage in the production, importation, or distribution of goods and is therefore not engaged in activities subject to the Act, as it does not produce, import, or distribute goods.

Collectively, MAKR Play Group employs approximately 120 staff members, predominantly based in Canada. The group operates under centralized leadership, with unified oversight of supply chain, procurement, and compliance functions across all entities.

Activities

MAKR Play Group's operations involve the manufacturing, assembly, importation, and installation of waterpark and playground structures. Key activities include:

- **In-house manufacturing:** Over 80% of fabricated and assembled splashpad products are produced internally through WeKid Manufacturing.
- **Sales and installations:** Waterplay Solutions Corp conducts sales of manufactured splashpad equipment internationally. Parkworks Solutions Corp conducts sales of exclusively third-party equipment and installation of recreational park equipment across Canada.
- **Importation:** WeKid Manufacturing Corp imports supplementary components and select finished products are to complement internal production. Parkworks Solutions Corp imports finished goods from third-party suppliers.

Imported goods primarily consist of specialty fasteners, plastic parts, and specific manufactured components sourced from Canada, United States, Taiwan, China and various other countries. The emphasis on in-house production enables enhanced control over quality and labor conditions.

Supply Chains

Approximately 60% of MAKR Play Group's annual procurement expenditure is concentrated within Western Canada, reinforcing the organization's commitment to regional sourcing. The remaining 40% pertains to suppliers in the United States, Taiwan, and China, selected based on quality, reliability, and adherence to ethical standards.

Parkworks maintains relationships with 12 core suppliers, primarily located in Canada, the USA, and Turkey. These suppliers have been vetted through multiple on-site visits and are considered low risk concerning forced or child labor due to their regulatory environments and demonstrated transparency.

International suppliers are evaluated based on ISO or equivalent certifications and are subject to ongoing monitoring, performance reviews, and, in select cases, third-party audits.

(b) Policies and Due Diligence Processes

While MAKR Play Group has not yet adopted a formal written policy or code of conduct specifically addressing forced or child labour, existing procurement procedures emphasize responsible sourcing. Current due diligence measures include:

- Risk avoidance: Avoidance of high-risk sourcing regions unless proper documentation and transparency are provided.
- Supplier prioritization: Emphasis on ISO-certified and accredited suppliers.
- Supplier assessments: Regular site visits and operational reviews of overseas partners.
- Ethical evaluations: Supplier selection based on ethical practices, transparency, and country of operation.

These due diligence activities are centralized within MAKR Play Group's supply chain team and executed in collaboration with operational leaders from Parkworks, Wekid, Waterplay, and Kinderplay where applicable. While informal, current practices generally reflect the OECD's due diligence framework, including: (1) embedding responsible business conduct in management systems, (2) identifying and assessing actual and potential risks in supply chains, (3) seeking to prevent or mitigate adverse impacts, (4) tracking implementation and results, (5) communicating how impacts are addressed, and (6) cooperating in remediation if necessary. The company is assessing the potential to enhance supplier oversight, which may include tracking corrective actions and non-conformances through a centralized system.

(c) Forced Labour and Child Labour Risks

MAKR Play Group considers its supply chain risk to be low, particularly given:

- In-house production: Over 80% of product manufacturing is completed internally in Canada.

- Supplier locations: Suppliers are based in low-risk jurisdictions (Canada, USA, Taiwan, Turkey).
- Supplier relationships: Direct visibility and strong relationships with top vendors.
- Certifications: MAKR Play Group prioritizes suppliers with valid certifications such as ISO, which are required to be subject to auditing and inspections.

Risks are assessed through supply chain mapping, country risk indices (e.g., U.S. Department of Labor list), and supplier self-disclosures. These assessments apply primarily to Tier 1 & 2 (direct suppliers). Risk visibility into lower-tier suppliers is limited and continues to be an area for future improvement. Procurement decisions are also informed by red flag indicators such as vague ownership structures, lack of documentation, or inconsistent social compliance histories. Potential risks remain in indirect tiers, such as subcomponents or raw materials or consumables from unknown third-party sources. These are mitigated through supplier vetting, certification requirements, and limiting supplier relationships to trusted, transparent partners.

(d) Remediation Measures

To date, no instances of forced or child labor have been identified across MAKR Play Group or its controlled entities. Accordingly, no remediation measures have been required. However, the organization is prepared to:

- Supplier suspension: Immediately suspend dealings with the supplier in question.
- Internal investigation: Launch an internal investigation.
- Authority notification: Escalate concerns to appropriate governing authorities.
- Remediation cooperation: Cooperate in remediation and provide corrective actions as needed.

Should remediation be required in the future, MAKR Play Group intends to take guidance from the UN Guiding Principles on Business and Human Rights. In the event of a substantiated issue, MAKR Play Group would consider initiating a structured response process, including internal investigation, supplier engagement, and documentation of findings and decisions.

(e) Remediation of Loss of Income

MAKR Play Group has not undertaken any actions to eliminate forced or child labor that have resulted in income loss for vulnerable families. To date, no actions taken to mitigate forced or child labour risks have resulted in loss of income for vulnerable families. MAKR Play Group continues to monitor this as a potential outcome of future interventions. We understand that future corrective actions may impact subcontracted or informal workers in foreign markets, and future supplier offboarding due to non-compliance may involve a transition plan designed to minimize disruption and economic impact, where feasible.

(f) Training

At present, formal training programs are not yet in place related to forced labor or child labor are in place. MAKR Play Group is exploring the development of internal awareness training to be delivered via self-guided materials or external partners. Potential improvements include:

- Training development: Development of a training module for Supply Chain related roles.
- Company-wide awareness: Distribution of training across all four entities.
- Integration: Incorporation of labor risk topics into onboarding and sourcing protocols.

This training would support the company’s ongoing efforts to embed responsible business conduct more fully across the organization

(g) Assessing Effectiveness

MAKR Play Group currently assesses the effectiveness of its labor risk mitigation efforts informally through ongoing supplier engagement and the absence of red flags across active vendor relationships. The organization is reviewing opportunities to strengthen its assessment processes, which may include formal internal audits or third-party engagement.

- Internal audits: Introduction of regular internal reviews and process audits.
 - Third-party validation: Consideration of partnerships with external experts to validate and improve the effectiveness of ethical sourcing efforts over time.
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Approval and Attestation

In accordance with the requirements of the *Fighting Against Forced Labour and Child Labour in Supply Chains Act* (the “Act”), and in particular section 11 thereof, I, in the capacity of [Title], attest that I have reviewed the information contained in this report on behalf of the governing body of MAKR Play Group and its controlled entities: Parkworks, Waterplay Solutions Corp, WeKid Manufacturing, and Kinderplay Designs. Based on my knowledge, and having exercised reasonable diligence, I attest that the information in this report is true, accurate, and complete in all material respects for the purposes of the Act, for the reporting year listed within this report. This report will be made available on MAKR Play Group’s public website in accordance with section 11(5) of the Act.

Full Name: DENNIS SCOTT
Title: VICE PRESIDENT PRODUCTION & ENGINEERING
Date: 05-27-2025
Signature: 
“I have the authority to bind MAKR Play Group.”