

# HOPEWELL DEVELOPMENT LIMITED PARTNERSHIP'S FIGHTING AGAINST FORCED LABOUR AND CHILD LABOUR IN SUPPLY CHAINS ACT STATEMENT 2023

## 1 | Introduction

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This statement has been published in accordance with the *Fighting Against Forced Labour and Child Labour in Supply Chains Act* (“the Act”) and is a joint report for Hopewell Development Limited Partnership, its wholly owned subsidiaries and affiliated entities and its control entities<sup>1</sup> (collectively “Hopewell”, “the Company”, “we”, “our” or “us”). This report sets forth the steps Hopewell has and will be taking to prevent slavery and human trafficking from occurring in our supply chains and businesses for the year 2023.

We believe forced labour and child labour must be addressed globally and that we have a fundamental corporate responsibility to combat these serious issues. We are committed to demonstrating our progress over time, and in this first statement we set out the initial steps we have taken to embed forced labour and child labour due diligence in a way that is tailored and appropriate to our risk profile and business.

## 2 | Steps taken to prevent and reduce risks of forced labour and child labour

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We place the highest importance on respecting human rights while conducting our business activities everywhere we operate. We expect the same from our business partners.

In general terms, we took the following steps during the Reporting Period to prevent and reduce the risk of forced labour or child labour in our business and supply chains:

- Reviewed our supplier terms and conditions to ensure suppliers are aware that the Company has a zero-tolerance policy on forced labour and child labour; and
- Conducted preliminary internal discussions on areas of risk within our supply chains

We acknowledge that we are at the start of our journey to address forced labour and child labour risks in our operations and supply chains, and we are committed to the continuous improvement necessary to align with good practice in this regard. Our focus over the next reporting period will be to strengthen existing due diligence processes (including supplier terms and conditions and onboarding processes) and develop a risk-based approach to assessing and monitoring supplies within our supply chain. We will focus on areas of highest potential risk to people in our supplier categories.

<sup>1</sup> Entities required to publish a report under the *Fighting Against Forced Labour and Child Labour in Supply Chains Act* and therefore covered by this group report are Hopewell Development Corporation, Hopewell Development Capital LP, Hopewell Development Master LP, Hopewell Development Business Trust, Hopewell Development Income Trust, KBP (HDC) Holdings Ltd., Hopewell Development Management Owners Corporation and Hopewell Capital Corporation.

### 3 | Our organizational structure, principal activities and supply chain structure

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The Company is a private company that is headquartered in Alberta, Canada and has over 120 employees in Canada and the U.S. The principal activities of the Company and its subsidiaries are to construct commercial buildings and provide commercial property and asset management services on behalf of third-party clients. These services include:

- Development & construction services: provide consultation, management, design and build services to construct commercial tenanted buildings on behalf of clients
- Leasing: representation of landlords, owners and tenants for real estate leases
- Capital markets: acquisition and disposition of ownership interests in managed commercial real estate developments for own behalf and institutional (and private equity) partners
- Integrated property and facility management: ensuring the efficient and proper operation of real estate assets on behalf of third-party clients

The specialized nature of commercial property services requires us to deliver a variety of services through long (and often multi-tiered) supply chains. The types of goods and services we procure for our clients include (but not limited to):

- Property/facility management services (HVAC, janitorial, landscaping, office services, pest control, security, water treatment, workplace strategy, fire/life/safety, electrical/mechanical, plumbing/hydraulics, kitchen/bathroom consumables)
- Design, build & fit-out services: general contractors, subcontractors
- Project management and consultation: construction and development projects (construction/fit-out, architecture, engineering, environmental services)
- Marketing and consulting services

### 4 | Policies and Due Diligence Processes

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Ethical behaviour is of the utmost importance to us and begins with our Employee Code of Conduct (the “Code”). This includes not tolerating behaviour within the Company or by suppliers that is illegal, unethical or that breaches human rights. The Code guides us through our behaviours and actions. It defines what it means to work for and be part of the Company as well as our individual and collective responsibilities.

Everyone at Hopewell is required to comply with the Code and to confirm their compliance with the Code annually. We are committed to holding ourselves accountable for behaving in a way that is consistent with the Code. Individuals are encouraged to speak up if they see something that makes them uncomfortable or that is inconsistent with our Values.

## 5 | Assessing and Managing our Risk

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We recognize that some of the products our supply partners or the Company procures to provide services may pose as a forced labour and/or child labour risk. These products or services include:

- Building materials such as timber, concrete, metals
- Construction services and personal protective equipment (PPE) products
- Janitorial services and products
- Landscaping services and products
- Security services

For its Canadian operations, the Company almost exclusively sources its products and services from Canadian suppliers/producers and requires those companies to adhere to the Company's code of conduct.

## 6 | Remediation Measures

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Our Employee Code of Conduct offers a reporting mechanism for our employees to report ethical or legal violations, among other concerns. If a situation of non-compliance is identified, Hopewell will work to develop and implement a corrective plan to improve and remedy the situation, including the termination of agreements related to the non-compliance.

## 7 | Remediation of loss of income to the most vulnerable families

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To date there have been no identified or reported instances of loss of income to vulnerable families that resulted from measures taken to eliminate the use of forced labour or child labour in our activities and supply chains.

## 8 | Training

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On an annual basis, all Hopewell employees are required to certify their abidance by our Code of Conduct. All new employees are required to certify their abidance by the Code of Conduct prior to commencement of employment.

In 2024, Hopewell intends to provide training to management and employees directly involved in supply chains that will include forced and child labour. Such training will initially focus on making those professionals aware of forced labour and child labour, how to identify it and their responsibilities as company personnel in helping combat forced labour and child labour.

## 9 | Assessing Effectiveness

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Hopewell has in place measures to prevent and reduce the risk that forced labour or child labour is used in our activities and supply chains. While we have not yet taken any actions to assess the effectiveness of those actions, Hopewell intends to assess its effectiveness in preventing and reducing risks of forced labour and child labour in its activities and supply chains at a later stage.

## Approval and Attestation

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This statement has been approved by the Board of Directors of Hopewell Development Limited Partnership and the Board of Directors of Hopewell Development Corporation.

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.

*Kevin Pshebniski*

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Kevin Pshebniski  
CEO  
Hopewell Development LP  
May 29, 2024

I have the authority to bind Hopewell  
Development LP



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Sanders Lee  
Executive Chairman  
Hopewell Development Corporation  
May 29, 2024

I have the authority to bind Hopewell  
Development Corporation