

In response to *Bill S-211, An Act to enact the Fighting Against Forced Labour and Child Labour in Supply Chains Act* Shane Homes Limited would first like to communicate that it does not support the use of child or forced labour in the production of the goods to which it sells to its customers. This is echoed in the core values of the company as we are a people first organization and believe in treating people fairly. Also, ownership has a zero-tolerance policy for child or forced labour due to the negative ethical implications of using such labour.

As new vendors are being brought onboard to work with the Company there is communication within the vendor package and contract which clearly lays out the zero tolerance policy for child and forced labour of the Company. The vendor is required to sign off on this paperwork which supports that they acknowledge the position of the Company. Finally, within this package it is communicated that if the Vendor is aware of any child or forced labour that they need to bring this to the Company's attention.

Internally, the Company assesses the risk based upon magnitude and likelihood to form an internally assessed risk rating for the product.

- Magnitude, a list providing the dollar spent on each type of product is generated from the system. This allows the Company to assess how much of this product is utilized in the fiscal year. If a product was identified as a child labour concern, the larger amount of the product utilized by the Company would result in a greater impact.
- Likelihood, the listing of products utilized on the production of products over the year is compared to the United States Department of Labour list. From there, products which carry a high risk of child and forced labour can be identified.

Both magnitude and likelihood are assessed as low, medium or high to form an overall risk rating. For products identified as low or medium for overall risk there are no additional measures are taken. For products identified as high risk, the following additional measures are taken:

1. Additional conversations with the vendor of the product as to how they are comfortable there was no child or forced labour utilized in producing this product.
2. Assess if there is a substitute for this product that can be sourced which will not impact the product delivered to our customers.

Performance of the above measures will be reviewed annually and the results of this analysis will be documented. From these results, the Company's program with respect to Bill S-211 will be reviewed wholistically to ensure there are no pervasive deficiencies. If pervasive deficiencies are identified, remediating measures will be put in place in the subsequent calendar year.

**Approval and Attestation**

This report was approved by the Board of Shane Homes Limited on May 30, 2024, pursuant to section 11 (5) of the Act.

In accordance with the requirements of the Act, and in particular Section 11 therefore, I attest that I have reviewed the information contained in the report for the entity 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.

For clarity, I have provided the attestation in my capacity as a officer of Shane Homes Limited and not in my personal capacity.

A handwritten signature in black ink, appearing to read 'Dave Rickett', with a large, sweeping flourish extending to the right.

**Dave Rickett**  
Chief Operation Officer

I have authority to bind Shane Homes Limited

May 30, 2024