

FIGHTING AGAINST FORCED LABOUR AND CHILD LABOUR IN SUPPLY CHAINS ACT REPORT

("Report")

MAY 2025

Introduction

Brookfield Residential Properties ULC ("**BRPU**") is a leading land developer and homebuilder in North America. We entitle and develop land to create master-planned communities, build and sell lots to third-party builders, and conduct our own homebuilding operations. We also participate in select, strategic real estate opportunities, including infill projects, mixed-use developments, and joint ventures. We are the flagship North American residential property company of Brookfield Corporation (NYSE: BN; TSX: BN), a global alternative asset manager.

This Report has been prepared as a joint statement, made by BRPU and its subsidiary entities, Brookfield Residential (Alberta) LP and Brookfield Residential (Ontario) LP (together, the "**Reporting Entities**").

The *Fighting Against Forced Labour and Child Labour in Supply Chains Act* (the "**Act**") imposes an obligation on the Reporting Entities to report on the measures taken to prevent and reduce the risk that forced labour or child labour is used in their supply chains. This Report is made in accordance with the Act and relates to the period January 1, 2024 to December 31, 2024. This is the second report under the Act.

This Report has been prepared as a joint report among the Reporting Entities. In this Report, references to "we", "us" or "our" refer to the Reporting Entities.

Commitment

We are committed to having a positive impact on the environment and the communities in which we operate.

Through our engagement with sustainability frameworks and organizations, we continue to evolve our sustainability reporting and protocols to align with leading practices. Our parent corporation, Brookfield Corporation, is a signatory to the United Nations-supported Principles for Responsible Investment ("**PRI**"), which reinforces our longstanding commitment to responsible investment and sustainability best practices.

We are committed to conducting our business in an ethical and responsible manner, including by carrying out our activities in a manner that respects fundamental human rights and supports the protection of human rights within our business, including but not limited to:

1. operating with leading health and safety practices to support the goal of zero serious safety incidents;
2. striving to ensure that the interests, safety and well-being of the communities in which we operate are integrated into our business decisions;
3. expecting our vendors to respect human rights and maintain processes aimed at identifying and preventing adverse human rights impacts that could arise from their or their suppliers' operations; and
4. acting in ways aimed at:

- a. the elimination of discrimination in employment;
- b. the prohibition of child and forced labour; and
- c. the eradication of harassment and physical or mental abuse in the workplace.

Our commitment to conducting business in an ethical and responsible manner is not only the right thing to do, but also fundamental to creating long-term value and mitigating significant reputational risk. We are cognizant that the risks of forced labour and child labour are complex and evolving, and we will continue to work on addressing these risks in our business. Our approach and processes are reviewed at least periodically and, where appropriate, updated as necessary to reflect changes in circumstances and practice.

Summary of Key Activities in 2024

We performed vendor screening procedures on all new vendors with additional due diligence procedures performed based on a risk-based approach including assessing a country's corruption risk score utilizing the Corruption Perceptions Index per Transparency International's website. The diligence performed generally includes adverse media screening, which would identify if the subject counterparty has a history of corrupt or illegal actions.

Our Business Activities

Assessing forced labour and child labour risk

Our approach to addressing forced labour and child labour is designed to be commensurate with the risks we face, which vary based on several factors, including jurisdiction, industry and sector.

Forced Labour and Child Labour Risk Profile

1. Third-Party Vendors

Given the nature of our business and the geographic locations in which we operate, third-party suppliers and vendors used across the Reporting Entities' businesses generally fall under the below categories:

Construction Contractors, Sub-Contractors Includes third-parties who manage day-to-day construction activities in the development of our managed residential communities.	Professional Services Includes consulting, legal, human resources, accounting, training, tax, audit, banking and education.
Vendor Software Providers This includes off-the-shelf software, that is hosted in our data centers, including hardware vendors used to facilitate business processes.	Property and Facilities Maintenance Includes building repairs and maintenance, cleaning, security, utilities, and public services.
Cloud/Hosted IT Services Encompasses a range of IT services provided in various formats.	Hotels and Lodging Travel, including accommodation, is generally booked through an approved travel management company.
Data Providers Organizations that provide data, which feed into our systems or terminals that provide access to market data.	Outsourcing Where a business activity or professional service is outsourced to another organization.

The Reporting Entities continuously strive to enhance our contracting practices because we believe that adequately compensated and trained workers, operating in fair working conditions deliver high-quality products and services. Brookfield utilizes indices and resources, as appropriate and in Brookfield's discretion, as a basis to identify countries or other factors that may have a higher risk of forced labor and child labor violations. We believe that the risk of forced labour and child labour within the majority of our third-party vendors is low. This assessment is based on the jurisdiction, and the regulated industries in which they operate and the skill of the professionals providing such services. However, we acknowledge that, to a lesser extent, we engage with suppliers who may be considered higher risk in terms of forced labor and child labor. These may include suppliers of office stationery and cleaning and catering services. We recognize that each of our suppliers has its own supply chain, and our vendor assessments consider this risk where appropriate and possible. We currently have limited visibility of these extended supply chains, excluding projects where subcontractors or materials require our approval.

2. Employees

Our people are our most important asset. All employees of the Reporting Entities are employed in Canada and the majority are professional and administrative staff. The Reporting Entities have human resources policies, procedures and processes in place designed to protect against forced labour and child labour in its employee population. These include:

- Employment conditions;
- Processes for reporting and resolving staff concerns and grievances;
- Non-discriminatory hiring practices;
- Employment screening (including work eligibility checks); and
- Appropriate workplace behavior.

Through our global Positive Work Environment Policy, all employees are responsible for creating a respectful environment and are required to identify and report workplace discrimination, violence and harassment as it occurs. Employees receive training on the global Positive Work Environment Policy and are required to certify annually that they have read and complied with it.

Based on the above, we consider that there is a low risk of forced labour and child labour within our employee population.

3. Business Operations

The Reporting Entities proactively seeks to identify material risks and opportunities and continuously monitors operations to ensure that our values are integrated into the construction and business management processes. Where required, we perform deeper due diligence, working with internal experts and third-party consultants as needed.

Management of Forced Labour and Child Labour Risks

1. Governance

We recognize that strong governance is essential to sustainable business operations, and we aim to conduct our business according to the highest ethical and legal standards. We are committed to policies aimed at maintaining a workplace free of discrimination, violence and harassment, and we expect our staff to act in a way which promotes a positive work environment. Our approach to addressing forced labour and child labour is designed to be commensurate with the risks we face,

which vary based on several factors, including jurisdiction, industry and sector. Key supporting policies and guidelines (together, the “**Policy Framework**”) include, but are not limited to:

Code Of Business Conduct and Ethics ("Code of Conduct")

Our Code of Conduct sets out the expected conduct of our directors, officers and employees in relation to honesty, integrity and compliance with legal and regulatory requirements. Employees, directors, officers and any temporary workers who are subject to the Reporting Entities’ Code of Conduct are required to certify annually that they have read and complied with the Code of Conduct and the protocols incorporated therein.

Whistleblowing Policy ("Policy")

We are committed to conducting business with honesty and integrity and staff are expected to maintain high standards. This Policy clearly sets out the expectations of reporting and responsibilities, and outlines whistleblowing procedures addressing how to raise a concern, confidentiality, as well as remediation, external disclosures and our zero tolerance for retaliation or malicious acts.

Vendor Management Procedures

In connection with any vendor engagement, employees are required to comply with our policies and procedures.

Our approach to addressing high-risk, third-party vendors includes conducting enhanced due diligence checks and the use of specific contract clauses in legal agreements.

Financial Crime Policies

These include our anti-bribery and corruption program and anti-money laundering programs that are designed to prevent financial crime and the movement of money derived from crime (including crimes relating to forced labour and child labour).

Forced labour, child labour and financial crime are closely linked, as proceeds from forced labour and child labour need to be ‘cleaned’ before entering the mainstream economy. Therefore, preventing the onboarding of those involved in financial crime, identifying suspicious or criminal activity and making reports to the relevant authorities not only supports the fight against money laundering, but also the fight against forced labour and child labour by association.

Positive Work Environment Policy

This outlines our commitment to providing a workplace free of discrimination, violence and harassment and summarizes the responsibilities of employees to understand: (i) what constitutes workplace discrimination, violence and harassment; (ii) their obligations to maintain an environment where these behaviors are not tolerated; and (iii) how to report incidents following proper procedures.

Our policy framework is reviewed periodically and updated as necessary.

2. Training

Our employees receive annual anti-bribery and corruption training. Additional training relevant to applicable roles, particularly in higher-risk functions, is provided every two years.

3. Risk Assessment

Risk assessments are important to our efforts to promote the eradication of forced labour and child labour. The forced labour and child labour risk varies based on the nature of our business operations. The risk-based approach enables us to focus efforts where most required.

4. Remediation

We have not found any evidence of forced labour or child labour. Where possible, we will try to use our leverage to address any issues that we discover.

5. Whistleblowing Hotline

We maintain an anonymous reporting hotline (“**Hotline**”) for employees, vendors and other parties to anonymously report, among other things, any matters relating to suspected unethical, illegal, unsafe or other unwanted behaviors. Forced labour and child labour issues are reportable on the Hotline. The Hotline is managed by an independent third party and is accessible 24/7 by telephone (toll free) at 1-800-665-0831 or by submitting an anonymous report online at www.brookfield.ethicspoint.com. The Hotline is available in multiple languages to mitigate any language barriers and to provide information to those intending to report.

6. Measure of Effectiveness

We acknowledge that forced labour and child labour are possible risks within our operations and supply chain. Various steps are undertaken to address these risks in our business, including reviewing our policies and business practices to ensure they reflect our commitment to:

- Implementing and utilizing effective systems and controls designed to reduce the risk of forced labour and child labour in our business and supply chains.

We monitor and assess the effectiveness of our forced labour and child labour controls as part of our overall risk management, including through:

- Regular engagement and feedback from key stakeholders, including through active promotion of our reporting Hotline; and
- Operational risk and mitigation plan reporting to the relevant boards and senior executives.

7. Approval and Attestation

This Report was approved pursuant to subparagraph 11(4)(a) of the Act by the Board of Directors of BRPU.

I have the authority to bind BRPU.



Per: _____

Full Name: Adrian Foley

Title: Board Director

Date: May 30, 2025

This Report was approved pursuant to subparagraph 11(4)(a) of the Act by the Board of Directors of Brookfield Residential (Ontario) GP Inc., the general partner of Brookfield Residential (Ontario) LP.

I have the authority to bind Brookfield Residential (Ontario) GP Inc., the general partner of Brookfield Residential (Ontario) LP.



Per: _____

Full Name: Trent Edwards

Title: Board Director

Date: May 30, 2025

This Report was approved pursuant to subparagraph 11(4)(a) of the Act by the Board of Directors of Carma Ltd., the general partner of Brookfield Residential (Alberta) LP.

I have the authority to bind Carma Ltd., the general partner of Brookfield Residential (Alberta) LP



Per: _____

Full Name: Trent Edwards

Title: Board Director

Date: May 30, 2025