

PARAMITA ENTERPRISES LIMITED O/A FOUR SEASONS HOTEL TORONTO
 2023 REPORT PURSUANT TO THE
 FIGHTING AGAINST FORCED LABOUR AND CHILD LABOUR IN SUPPLY CHAINS ACT

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ARTICLE I ABOUT THIS REPORT

This statement (“Report”) is made on behalf of Paramita Enterprises Limited o/a Four Seasons Hotel Toronto pursuant to the reporting obligation under Canada’s *Fighting Against Forced Labour and Child Labour in Supply Chains Act* (the “Act”). This Report covers the period of January 1, 2023, to December 31, 2023 (the “Reporting Period”). In this Report, the terms “we”, “our” and “the Hotel” refer to Paramita Enterprises Limited o/a Four Seasons Hotel Toronto.

ARTICLE II OUR STRUCTURE & BUSINESS ACTIVITIES

Section 1. Ownership and Management.

The Hotel is owned by Paramita Enterprises Limited and operated under a hotel management agreement provided by the iconic Toronto-headquartered Four Seasons Hotels Limited, trading as Four Seasons Hotels and Resorts, a Canadian luxury hotel company (the “Hotel Manager”). The Hotel Manager is headquartered and located in Toronto, Ontario.

Section 2. The Hotel.

Four Seasons Hotel Toronto (the “Hotel”) is a 5-star luxury hotel with 259 recently redesigned guest rooms and suites. The Hotel is located in Toronto’s historic Yorkville area, where the facility’s design and customer experience recruits Yorkville’s unique juxtaposition of urban sophistication and natural beauty. The Hotel delivers visitors and guests a warm Canadian welcome framed by a luxurious, spacious, and modern design. Patrons experience the Hotel’s authentic modern French cuisine at Café Boulud and specialty craft cocktails at local favourite d|bar, a spirited lobby lounge and bar. Guests and visitors enjoy world-class services experiences which range from relaxing in the serenity of the Spa’s extensive relaxation and wellness offerings, to stepping outside and exploring the vibrant character of Yorkville’s glamorous shopping and restaurant district.

Section 3. Four Seasons For Good.

The Hotel is committed to building upon a strong history of supporting communities and the environment. We participate in and expressly adopt the Hotel Manager’s environmental social and governance program *Four Seasons for Good*, which states our commitment preserving and regenerating the beautiful place in which we operate, and our promise to leave a positive and enduring impact on our communities.

Four Seasons for Good is centered on two pillars: *Planet* (environmental impact) and *People* (social impact). Each pillar is supported by specific activities and objectives.

Fostering respect for human rights, including our fight against forced labour and child labour is one of our areas of focus within our People pillar.

ARTICLE III OUR SUPPLY CHAINS

Our supply chains consist of a combination of centralized and decentralized sourcing. Goods and services are sourced¹ and procured² centrally through the Hotel Manager and locally by the Hotel.

Section 1. Centralized Sourcing.

The Hotel Manager manages certain sourcing and some procurement functions centrally (e.g., tendering and contract negotiations) of many of the Four Seasons™ branded items in guest rooms (e.g., bedding, terry, textiles, room supplies, etc.) and tabletop categories (e.g., chinaware, glassware, flatware, holloware, table linens, etc.) through its Sourcing and Procurement team. The Hotel Manager's centrally-sourced and procured items are produced by third-person manufacturers, including suppliers that we import from 23 countries across the world to the Hotel. Canada, China, Columbia, Egypt, France, Germany, India, Indonesia, Italy, Egypt, France and Portugal are the countries of origin for most of these products. Other notable source countries include: Australia, Japan, Malaysia, Mexico, Morocco, Myanmar, South Africa, South Korea, Thailand, Turkey, the United Arab Emirates, the United Kingdom, and the United States of America.

Section 2. Decentralized (Local) Sourcing.

Most goods and services required for the Hotel are sourced and procured directly by our purchasing teams. These items include non-Four Seasons™ branded hotel amenities, food and beverages, office and general supplies, IT and mechanical equipment, furniture, and labour services.

Section 3. Responsible Sourcing.

For both centralized and local sourcing and procurement, the Hotel Manager and the Hotel (respectively) are committed to supporting responsible and sustainable suppliers and to complying with applicable laws.

Third-person suppliers to both the Hotel and the Hotel Manager are required to comply with the Hotel Manager's policies with respect to ethics and human rights.

¹ Identifying the required products and services.

² Securing the agreements for the purchase of products and services.

ARTICLE IV
POLICIES & DUE DILIGENCE

We are committed to responsible workplace practices at the Hotel and throughout our supply chain. Respecting and protecting human rights is fundamental to our approach. The Hotel is committed to conducting business in a manner that complies with applicable laws and is consistent with the highest ethical standards.

We are further committed to understanding the human rights related risks from and to our operations, and implementing measures to ensure that those who provide services to and for us – including team members, contractors and agents – are aware of and share our commitment to an ethical culture.

Section 1. The Hotel Manager’s Policies.

As owner of the Hotel, we expressly adopt and implement certain relevant policies promulgated by the Hotel Manager, including in its 2024 Modern Slavery Statement, which is available at

(<https://www.fourseasons.com/content/dam/fourseasons/images/web/PDFs/Four-Seasons-2024-Modern-Slavery-Statement.pdf>)

Section 2. Our Policies.

(a) Human Rights.

Our Human Rights Policy outlines our approach in support of universal human rights, informed by the principles contained in *the Universal Declaration of Human Rights, the International Labour Organisation (ILO) Standards, the UN Guiding Principles on Business and Human Rights, the UN Global Compact, the Code of Conduct for the Protection of Children from Sexual Exploitation in Travel and Tourism (the “Code”), and the Guidelines for Multinational Enterprises of the Organisation for Economic Cooperation and Development (OECD)*.

Our Human Rights Policy outlines our commitment to addressing forced labour, human trafficking, and child labour and the rights of children as follows:

(b) Elimination and Prevention of Forced Labour.

We are committed to ensuring that forced labour in all its forms is prevented from occurring because of our business activities. This includes modern slavery, practices similar to slavery, bonded labour and debt bondage, trafficking in persons, prison labour, compulsory labour, military work, unlawful recruitment of children, and domestic servitude. We are also committed to ensuring protection for those categories of workers who are most vulnerable to exploitation.

We expressly adopt and abide by the Sustainable Hospitality Alliance's *Principles on Forced Labour*, namely, that:

- Every worker should have freedom of movement.
- No worker should pay for a job; and
- No worker should be indebted or coerced to work.

(c) Elimination and Prevention of Human Trafficking.

We are committed to ensuring that human trafficking in all its forms is prevented from occurring across our operations, in line with the UN Protocol to Prevent, Suppress and Punish Trafficking in Persons, Especially Women and Children.

(d) Elimination and Prevention of Child Labour; Promoting The Rights Of Children.

We are committed to ensuring that exploitation of children in any form does not take place in our business operations. The Hotel Manager is a signatory to *The Code of Conduct for the Protection of Children from Sexual Exploitation in Travel and Tourism* and commits to complying with all applicable laws for the protection of children's rights, not recruiting child labour, and supporting the elimination of all forms of exploitative child labour, as defined by the ILO. This includes, for greater certainty, ensuring that any work that may be performed by persons under the age of 18 is compliant with all applicable local laws and employment standards, is not provided or offered under circumstances that are mentally, physically, socially, or morally dangerous to any underage worker, and does not interfere with the underage worker's schooling by depriving such individuals of the opportunity to attend school, obliging them to leave school prematurely, or requiring them to attempt to combine school attendance with excessively long and heavy work. The Hotel Manager applies these commitments to its management of our Hotel.

ARTICLE V SUPPLIER CODE OF CONDUCT

We support and protect human rights. We have a zero-tolerance approach to human rights abuses. We expressly adopt the Hotel Manager's *Supplier Code of Conduct*, including provisions which require suppliers of centrally sourced and procured goods to align their practices with those outlined in the Hotel Manager's *Human Rights Policy*. Suppliers are expected to:

- Support the elimination of forced labour and human trafficking by complying with the Sustainable Hospitality Alliance's *Principles of Forced Labour*.
- Ensure that no worker pays for a job. Fees and costs associated with recruitment and obtaining employment must not be paid by workers.

- Comply with all applicable laws regarding recruitment and hiring of workers, including workers provided by temporary help agencies.
- Prevent all situations in which any worker is indebted or coerced to work.
- Condemn all forms of exploitation of children and not use child labour directly or indirectly in their supply chain, in accordance with the ILO standards.
- Provide appropriate training to their employees to ensure compliance with the *Human Rights Policy*, the Sustainable Hospitality Alliance’s *Principles of Forced Labour*, applicable ILO standards, and any other applicable laws and policies.
- Have a system in place to assess, on an ongoing basis, their own effectiveness in ensuring that forced labour and child labour are not being used in the Supplier’s own business and supply chain.
- Collaborate with any human rights-related audits, investigations, or information requests by Four Seasons or by any law enforcement authority with applicable jurisdiction.

ARTICLE VI
CODE OF BUSINESS CONDUCT AND ETHICS

We have a strong commitment to conduct our business in a lawful and ethical manner, as defined by our internal *Code of Business Conduct and Ethics*. We have established procedures to permit individuals to submit, on a confidential and anonymous basis (to the fullest extent possible consistent with applicable law), good faith complaints relating to violations of internal *Code of Business Conduct and Ethics*.

The Hotel expressly prohibits any retaliation against individuals who make good faith reports of concern or misconduct.

ARTICLE VII
DUE DILIGENCE

Section 1. Centrally Sourced and Procured Goods managed by the Hotel Manager.

In 2024, the Hotel Manager implemented new Environmental, Social and Governance (ESG) due diligence processes, in which prospective Tier 1³ suppliers of centrally sourced and procured goods are required to acknowledge adherence to our *Supplier Code of Conduct* to be eligible to participate in Requests for Proposal (RFPs). Eligible suppliers are

³ Supplier with whom we directly conduct business, including contracted manufacturing facilities or production partners.

also required to provide intake information that serves as a baseline for the due diligence process. This includes financial data and information on the locations of their factories and distribution centres, which informs the level of supplemental due diligence required.

Based on this information, the Hotel Manager conducts an ESG risk assessment. Tier 1 suppliers of centrally sourced and procured goods are required to respond to a series of ESG questions covering human rights topics such as human trafficking, forced labour, and child labour, as well as other related topics such as labour performance, employee wellbeing, Codes of Conduct, and management of Tier 2⁴ and Tier 3⁵ suppliers. Responses are assessed using a comprehensive ESG decision matrix and assigned a High, Medium or Low-Risk rating. For suppliers whose responses qualify as high risk, additional due diligence may be conducted, or the supplier may be removed from the competitive process.

Commencing on December 1, 2023, all of the Hotel Manager's new Master Purchasing Agreements for centrally sourced and procured goods included a right-to-audit clause, and the Hotel Manager has committed to us its objective to include this clause in all existing agreements by the end of 2024.

Section 2. Non-Centrally Sourced and Procured Goods.

For local goods sourcing and procurement and outsourced labour sourcing, before onboarding a new supplier, representatives from the purchasing team and operations managers at the Hotel Manager are expected to gather information to perform due diligence and may conduct site visits depending on the category of products or services that recur annually.

ARTICLE VIII IDENTIFYING & MANAGING RISKS

Across all properties managed by the Hotel Manager (including the Hotel), there are established processes to review risks, including those related to ESG and the risks of forced and child labour. Over the last few years, the Hotel Manager has prioritized the integration of ESG-related risks more fully into its risk management tools and practices.

Section 1. Risks.

As with all hotels, there may be potential human rights risks related to our operations and supply chains. They include, but are not limited to the following:

⁴ Sources and suppliers where Tier 1 suppliers procure materials.

⁵ Suppliers to Tier 2 suppliers that are one or more steps further removed from a final product, including those that customarily provide raw materials.

(a) Supply Chains.

The hospitality industry in which we and the Hotel Manager operate is a significant purchaser of products from supply chains such as food, linens, and amenities that involve multiple tiers of subcontractors. Exploitative labour conditions, including forced labour and child labour, can occur at any stage of these supply chains, and risks vary depending on factors such as product category and country of origin.

(b) Outsourced Labour Services.

Third-person service providers are sometimes contracted to complete specific tasks, including, but not limited to landscaping, maintenance, and transportation. Lack of job security and limited legal protections may make individuals who work for such contractor vulnerable to exploitation from their employers.

(c) Temporary Labour Sourcing, including Foreign and Migrant Labourers.

Temporary labour assistance is sometimes procured through temporary labour agencies, especially in the case of filling specific labour gaps (e.g., seasonal positions, banqueting, housekeeping, and the construction of properties by owner-hired contractors, etc.). Individuals who work in such roles may be at greater risk of exploitation due to their transient status and significant lower bargaining power. In certain markets, the hospitality industry may employ migrant workers, who are recruited through labour agencies, and may be particularly vulnerable to exploitation due to language barriers, lack of legal documentation, and limited knowledge of their rights.

(d) Human Trafficking.

Hotels can sometimes be used as instruments of human trafficking. Traffickers may exploit vulnerabilities, such as the anonymity provided by temporary accommodations, to coerce individuals into commercial sexual exploitation or forced labour.

The Hotel Manager's policies, training, due diligence, risk management practices and the cross-sector collaboration described in this document, each of which are adopted and practiced by the Hotel, are designed to mitigate the above risks.

ARTICLE IX TRAINING

Capacity building, training and awareness are critical measures we take in our efforts to fight for human rights issues, including fighting against human trafficking, forced labour, and child labour.

Section 1. Human Trafficking Awareness.

All Hotel employees are expected to complete a human trafficking awareness training annually to be able to clearly identify the signs of human and labour trafficking, identify potential victims, and respond quickly and safely to assist the individuals.

This training was developed with the support of an external organization, BEST Alliance, and is reviewed and updated annually. To pass the training, all employees are required to receive an 80% score on a quiz, after having completed the training.

The Hotel's Director of Security is also provided access to BEST's Inhospitable Human Trafficking Training as additional training on this topic.

Section 2. Code of Business Conduct and Ethics.

Each Hotel employee must review and acknowledge our Code of Business Conduct and Ethics annually. Our Code of Business Conduct and Ethics and its associated training codify our commitment to positively supporting our communities, respecting human rights, and preserving the planet for future generations.

Section 3. Regular Evaluation

Our human rights related training efforts are regularly evaluated and refined to adapt to emerging challenges and changing dynamics in the industry.

ARTICLE X REMEDATION & ASSESSING EFFECTIVENESS

The Hotel Manager has established (and the Hotel has adopted) procedures that enable our employees to submit, on a confidential and anonymous basis (to the fullest extent possible consistent with applicable law), good-faith concerns about illegal or unethical behaviour through a third-person, independent reporting service provider retained by the Hotel Manager.

Reports filed through this ethics hotline are initially reviewed by the Hotel manager's Executive Vice President and Chief People and Culture Officer, Senior Vice President, Internal Audit and Risk, and Senior Vice President, Corporate Counsel and Compliance.

Any instances of concern, whether reported through the ethics hotline, discovered during due diligence screening and assessments, or otherwise, are investigated. Corrective actions may be required in instances of lower severity. Agreements and relations with suppliers may be terminated depending on the context and severity of the issue(s) found.

In 2023, Hotel Manager did not, nor did the Hotel identify any forced labour or child labour occurrences in the Hotel's activities and supply chains. In consequence, we did not

identify any loss of income to vulnerable families resulting from measures taken to eliminate the use of forced labour or child labour in our activities and supply chains.

ARTICLE XI
ADVANCEMENTS IN 2023

In 2023, key initiatives and projects were undertaken in collaboration between the Hotel and the Hotel Manager to strengthen our understanding of human rights, forced labour and child labour risks and to improve the effectiveness of our approach to mitigate and eliminate human trafficking, forced labour, and child labour from our operations and our supply chains. The major initiatives are summarized below.

Section 1. Hotel Collaboration in Human Rights Risk Mitigation.

We worked directly with the Hotel Manager to evaluate the effectiveness of our current mitigation measures, proactively seeking opportunities to further enhance and improve our systems and practices.

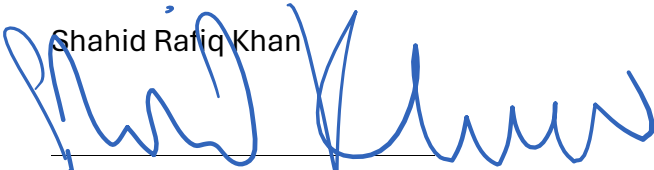
Section 2. Hotel Manager's Right-to-Audit.

Effective as of December 1, 2023, the Hotel Manager has included a right-to-audit clause in every Master Purchasing Agreement for centrally sourced and procured products and therefore we expect to benefit from that right in our future investigation of supply chain risks, including those related to forced labour and child labour.

ARTICLE XII
APPROVAL & ATTESTATION

The 2023 report was approved with effect on 31 May 2024, pursuant to subparagraph 11(4)(b)(ii) of the Act by the Board of Directors of Paramita Enterprises Limited o/a Four Seasons Hotel Toronto.

In accordance with the requirements of the Act, 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 Period.


Shahid Rafiq Khan
Director, Chief Executive Officer, Chief Operating
Officer & President
31 May 2024