



## Supply Chain Transparency Report

Fiscal 2023

### 1. Reporting Requirement

This Supply Chain Transparency Report (the “**Report**”) has been prepared by Sunrise Senior Living, LLC, on its own behalf and on behalf of certain of its wholly-owned subsidiaries<sup>1</sup> (collectively, “**Sunrise**”) pursuant to the reporting requirements of the *Fighting Against Forced Labour and Child Labour in Supply Chains Act* (Canada) (the “**Act**”). In this Report, “we”, “us”, “our”, “Sunrise” and “the company” means collectively Sunrise Senior Living, LLC and the Subsidiaries. This Report describes the steps Sunrise has taken during the period beginning on January 1, 2023 and ending on December 31, 2023 (“**Fiscal 2023**”) to prevent the use of forced labour and child labour in its activities and supply chains.

### 2. Activities, Structure and Supply Chain

Sunrise Senior Living, LLC is a holding company which, through its Subsidiaries, is primarily engaged in the development and management of senior residences and the provision of personalized care and services for older adults in Canada and the United States. Sunrise operates several different types of facilities, including independent living facilities, assisted living and memory care facilities, retirement homes, skilled nursing facilities and home healthcare. Sunrise is wholly-owned indirectly by the Public Sector Pension Investment Board (“**PSP**”), which is a wholly-owned Canadian Crown corporation.

Sunrise Senior Living, LLC is a limited liability corporation incorporated under the Delaware *Limited Liability Company Act*. Sunrise Senior Living, LLC’s registered and head office is located at 7902 Westpark Drive, McLean, Virginia 22102. Sunrise’s Subsidiaries are responsible for Sunrise’s business operations. The following wholly-owned Subsidiaries are responsible for the majority of Sunrise’s procurement:

- Sunrise Senior Living Management Inc. (“**Management**”), a Virginia corporation, manages the majority of the Sunrise facilities located in the United States.
- Sunrise Senior Living Services, Inc. (“**Services**”), a Delaware corporation, manages the Sunrise facilities located in the United States that are not otherwise managed by Management.
- Sunrise North Senior Living, Ltd. (“**North**”), a New Brunswick company, manages the Sunrise facilities located in Canada.

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<sup>1</sup> Sunrise Senior Living, LLC is a holding company which operates its business through its subsidiaries. The subsidiaries in the Sunrise organization responsible for the procurement of goods are Sunrise Senior Living Management Inc., Sunrise Senior Living Services, Inc., Sunrise North Senior Living, Ltd., Dignity Home Care, Inc., and Sunrise Development, Inc. (collectively, the “**Subsidiaries**”), each as further described in this Report.



- Dignity Home Care, Inc., a New York corporation, only operates in New York State and offers home healthcare including personalized health and homemaker services supervised by licensed registered nurses, and professional caregivers, and licensed health care professional staffing services.
- Sunrise Development, Inc. ("**Sunrise Development**"), a Delaware corporation, is Sunrise's development arm that builds new facilities.

Management, Services and North are collectively referred to in this Report as the "**Management Subs**".

Sunrise Senior Living, LLC does not produce, purchase or distribute goods in Canada or elsewhere, other than very minor dealings. The Sunrise Subsidiaries procure a large number and variety of products and services as part of delivering their services. Sunrise Senior Living, LLC has a number of other direct and indirect wholly-owned subsidiaries. However, none of the other subsidiaries is responsible for the purchase or distribution of goods, other than very minor dealings.

The Management Subs' supply chain involves the purchase and distribution of goods for use in Sunrise's business, including, among other things, medical supplies, food, office supplies, furniture, fixtures and equipment (FF&E), linens, kitchen supplies, and cleaning supplies. Sunrise Development's supply chain involves the purchase and distribution of goods required for the development and construction of new facilities, including, among other things, building supplies, lumber, fixtures, and the supplies needed to operate the facility upon move in of first resident.

Sunrise's Tier One direct suppliers are generally all located in Canada and the United States. Each of the Subsidiaries generally purchases goods from a supplier located in the jurisdiction in which the applicable Subsidiary's facilities and operations are located.

### 3. Policies and Processes Relating to Forced Labour and Child Labour

Through our organizational and governance policies Sunrise communicates our values and expectations, setting a high bar for ourselves and our suppliers. Sunrise does not tolerate any forms of forced labour or child labour and we make every effort to prevent our activities from having a negative impact on human rights. Our relevant policies include the following:

#### ***Code of Conduct***

Sunrise's Code of Conduct (the "**Code**") applies to Sunrise Senior Living, LLC and its affiliates, operating entities and subsidiaries, including the Subsidiaries. It covers a wide range of business practices and procedures and sets out the guiding principles by which we expect our employees, contractors and vendors to govern themselves in performing their job duties, including that they should always act lawfully, ethically and in the best interests of Sunrise. The Code is intended to alert Sunrise employees, contractors, volunteers, and board members of the legal, compliance and ethical issues that may arise during the course of employment or contractual arrangement with Sunrise. Notably, the Code requires all persons with whom Sunrise does business to comply with all applicable laws in the jurisdictions in which Sunrise operates. Failure to comply with applicable laws may result in disciplinary action, up to and including termination, and cessation of business.



The Code includes a violation reporting process whereby any person subject to the Code is expected to report compliance issues, ethical concerns and improper conduct. In addition, Sunrise has developed an Ethics and Compliance Hotline Complaints Policy (the “**Policy**”) whereby employees, contractors, volunteers, residents and family members of residents are provided with a confidential, non-retaliatory mechanism to report potential compliance violations. Pursuant to the Policy and the Code, Sunrise has established several channels for reporting compliance issues, ethical concerns and improper conduct, including a third-party run Ethics and Compliance Hotline which is available 24-hours a day. All reports are treated as confidential. No retaliatory action will be taken against any individual who reports compliance violations in good faith through the Hotline. The Code of Conduct and contact details for the Ethics and Compliance Hotline are posted on Sunrise’s intranet and public website. Additionally, all Sunrise team members received mandatory training on the Policy and the Code. Sunrise’s training is discussed in greater detail in Section 6.

### ***Compliance Plan***

It is the fundamental policy of Sunrise that its business is conducted in compliance with all applicable U.S. federal and state laws and regulations and Sunrise’s ethical standards. Sunrise’s Compliance Plan (the “**Plan**”) provides an overview of Sunrise’s compliance program and its basic requirements. The compliance program’s purpose is to assist Sunrise in developing effective internal controls that promote adherence to applicable law and federal and state health care program requirements.

The Plan provides that Sunrise will not knowingly employ or contract with any individual who has been convicted of any criminal offence that bars the person from working in the senior housing industry. It is Sunrise’s policy to make reasonable inquiry into the background of current and prospective employees, contractors and vendors whom Sunrise employs and with whom Sunrise does business.

### ***Due Diligence Processes***

Sunrise expects third parties with which we contract to adhere to business principles and values similar to our own and to comply with applicable laws and regulations. As described above, we have embedded responsible business conduct into our policies and management systems, some of which apply equally to our vendors as they do to our team members. These policies and practices are communicated to all members of the Sunrise team.

In addition to our policies, Sunrise includes contractual provisions with respect to compliance with laws in its vendor and supplier agreements, as the context warrants.

In addition to the controls in effect for purchasing by the Subsidiaries, Sunrise has also implemented controls at the local facility level that mitigate the risk of forced labour and/or child labour. These controls include spending limits at each of our facilities for any local purchase of supplies.

## **4. Areas of Risk**

Sunrise operates within Canada and the United States. The Sunrise Subsidiaries’ core direct suppliers are North American based. Canada and the United States each have robust pre-existing labour, employment and human rights legislation that mitigates the risk of forced labour and child labour in our operations



and supply chain. This is enhanced by Sunrises' own policies and its Compliance Plan, as set out in this Report. Given the foregoing, in Fiscal 2023, Sunrise considered its supply chain and activities and did not determine that any component of its supply chain carried a material risk of forced labour and/or child labour.

Further, as noted above, Sunrise Senior Living, LLC is a holding company and not an operating company. Accordingly, we have determined that Sunrise Senior Living, LLC's activities and its direct supply chains do not carry a material risk of forced labour and/or child labour.

## 5. Remediation Measures

In Fiscal 2023, no incidents of forced labour or child labour were reported or identified within Sunrise or its supply chain. As a result, remediation measures did not need to be taken to correct any forced labour or child labour or to compensate for the loss of income to vulnerable families.

## 6. Training

Sunrise's Compliance Plan provides that Sunrise team members, contractors and volunteers shall be trained and educated to have a clear understanding of their responsibilities and rights under the Plan, as well as Sunrise's expectations. Education and training emphasize Sunrise's commitment to compliance with all applicable laws and healthcare program requirements. Each Sunrise team member receives a copy of the Code and Plan upon hire.

New Sunrise team members receive general compliance training upon hire within an established timeframe and receive general compliance training at least annually. Additional training is provided to team members, contractors and volunteers as appropriate to his or her position and training requirements, as determined by Sunrise's Compliance Officer. Attendance at, participation in, and completion of compliance training programs is a condition of continued employment with Sunrise. Failure to comply with compliance training requirements may result in disciplinary action, including possible termination.

## 7. Effectiveness Assessment

Sunrise acknowledges that forced labour and child labour are possible risks within its operations and supply chain. In order to assess our effectiveness in preventing the use of forced labour and child labour in our activities and supply chains, we periodically review and audit our policies and procedures described above.