



Government of Canada BILL S-211

The Fight against Forced Labour and Child Labour in Supply Chains Act

Armada Toolworks LTD - Modern Slavery Statement for the Financial Year ending December 31, 2023

Initial Report dated April 17, 2024

This statement is made pursuant to **Bill S-211, An Act to enact the Fight against Forced Labour and Child Labour in Supply Chains and to amend the Customs Tariff**. This statement outlines the approach and initiatives by Armada Toolworks LTD to identify and address the risks of forced labour and child labour in our business operations and supply chains during the financial year commencing January 1, 2023 and ending December 31, 2023.

Armada Toolworks LTD (Armada) operating as Armada Automotive has been in existence since 1971 and is fully committed to respecting human rights and ensuring our supply chain is free from forced labour and child labour (also known as Modern Slavery).

Armada does not have any manufacturing or other entities in any other jurisdictions and is thus does not have any reporting obligations in any other jurisdictions.

Company Structure

Armada Toolworks LTD is a privately owned corporation incorporated in the province of Ontario (Ontario Corporation Number 100262153RC002) located at:

**6 LOF Drive
Lindsay, Ontario
Canada, K9V 4S5**

Armada is active in the automotive manufacturing industry. Armada designs, develops and manufactures automotive parts such as interior door handles. Armada sells these parts to the North American auto industry having both OEM and Tier I customers. Armada's factory processes include plastic injection molding, zinc die casting and assembly. The automotive components are shipped from the Lindsay facility to customers in Canada, the USA, Mexico, and China. Armada

is located in a 14,000m² facility in Lindsay Ontario and employs 247 people, which includes 230 full-time and 17 temporary associates. Associates are a combination of office & technical salaried personnel and skilled & unskilled hourly associates. The hourly associates are covered by a collective agreement and are represented by Unifor Local 222.

Armada has completed an internal assessment to ensure that all Armada employees are here of their own free will and are of proper hiring age. Proof of that assessment is available upon request.

Armada uses two local temporary staffing agencies to supply temporary workers when required. Both agencies are providing DOB (Date of Birth) information before any employee arrives for their first day of work. Temporary workers are paid a fair wage that meets all Ontario and Canada minimum wage requirements

Supply Chain

Armada has more than 70 suppliers which are located across Canada, the USA, China, Taiwan, Italy, India and Germany. Armada uses both direct and indirect suppliers. The supply chain produces products and processes using some of the following:

- Plastic resin formulation, processing and extrusion
- Zinc cast metal processing and alloying
- Ferrous metal stamping and machining
- Fastener, pins and springs metal forming
- Small component assemblies to create electric switches, cameras, speakers
- Polishing, painting, chrome plating, corrosion protection

Plastic resin is purchased from large scale, internationally known, private or public corporations. All other products and processes are purchased from suppliers with a long history of being in the automotive and other manufacturing industries. The international automotive industry has had requirements in place for several years relating to forced and child labour. Armada's suppliers have internationally recognized quality systems (such as ISO 9000 and IATF 16949) in place to meet all industry requirements. As an automotive supplier, Armada also ensures that all materials or components coming to Armada are free of any Conflict Minerals using industry required reporting systems. Armada provides each supplier a copy of our Supplier Quality Manual that lays out specific requirements on all aspects of the supply chain (a copy of the Armada Supplier Quality Manual is available at www.armadatoolworks.com). There are two specific requirements on page 9 of that manual related to this statement topic:

Included in the **Armada Supplier CSR Code of Conduct** are the following:

1. No Forced Labour (Respect the free will of all of your workers and do not use forced labour)
2. No Child Labour (Do not employ children under the minimum employment age).

Additionally, Armada requires an annual self-audit to be completed by all direct material and process suppliers. This audit has been updated and implemented so that each supplier must complete the section

which addresses Labour and Human Rights. Every supplier must fill out and return the audit to continue to be an active supplier to Armada. Responses to the self-audit are collected, reviewed for compliance, and kept on record and may be reviewed upon request.

Policies and Due Diligence

Armada has existing Policies and Procedures in place that include elements pertaining to **The Fight against Forced Labour and Child Labour**. These are:

- The Corporate and Social Responsibility Policy
- The Ethics Policy
- The Supplier Quality Manual

These policies and procedures are available for review at www.armadatoolworks.com.

Forced Labour and Child Labour Risks

Armada is committed to respecting human rights and ensuring that forced labour and child labour is not utilized to create any product or process within our supply chain.

- Armada has identified potential risks within the supply chain:
 - Procurement of raw materials, components and processes
 - Use of temporary, seasonal labour in raw material production by overseas suppliers

Remediation Measures

Armada has assessed its internal activities and responses from our supply chain self-audits and has found that there is no known risk of forced labour or child labour. The question of remediation is considered 'not applicable'.

Remediation of Loss of Income

Armada has assessed the responses from our supply chain self-audits and has found that there is no known risk of forced labour or child labour. The question of remediation of loss of income is considered 'not applicable'.

Training

Armada has completed training with all of employees (full-time and temporary) regarding **Bill S-211 Forced Labour and Child Labour** during our Employee Town Hall meeting held on March 21, 2024. Evidence of that training is available upon request. This training will be repeated at least annually.

Assessing Effectiveness

Armada is verifying the effectiveness of meeting the requirements of the **Forced Labour and Child Labour Act** through the internal assessment of the facility located at 6 LOF Drive, Lindsay Ontario, by choosing reputable, long term, qualified, and regulated entities to be in our supply chain and by reviewing the

responses to the annual supplier self-audit for compliance. Effectiveness of compliance is further verified by senior management through the review of all policies, procedures and assessments listed in this statement. All steps to fight **Forced and Child Labor** are listed in this statement to be in full compliance with subsection 11(1) of the Act.

This statement is made pursuant to Bill S-211, **The Fight against Forced Labour and Child Labour in Supply Chains Act** for the financial year ending 12/31/2023. The statement is compiled and written to meet all requirements of the act, specifically all requirements listed in subsection 11(3). This statement is issued on behalf of Armada Toolworks and approved by our board of directors.

Signed,

A handwritten signature in blue ink, appearing to read 'C. van den Berg', is written over the printed name.

Chris van den Berg

President

Armada Toolworks LTD

April 17, 2024