

Forced Labour and Child Labour in Canada Supply Chain Act Compliance Report of G&L Morrey Holdings Ltd. And Morrey Auto Group (“Morrey”)

This Report, issued by G&L Morrey Holdings Ltd, in compliance with Section 11 of Canada’s Fighting Against Forced Labour and Child Labour in the Supply Chains Act (the “Act”), covers the fiscal year ending on May 31 2023. It delineates the actions taken to prevent and address the risk of forced labour, child labour, and other forms of slavery (“Modern Slavery”) in the sale of goods domestically, including those imported into Canada.

Overview

Morrey is a privately-owned company and operates two Nissan, an Infinity, a Mazda and a Volvo automotive dealerships in the Greater Vancouver area. Morrey is subject to the terms and conditions of franchise agreements with the original equipment manufacturers.

Supply Chains

Our procurement initiatives spans suppliers located throughout Canada. Our suppliers manufacture goods in North America, Europe and Asia. We purchase various goods such as automobiles and automotive parts for retail sale. Our goal is to provide customers with a relaxing and pleasant living experience.

Governance and Policies

At Morrey, every employee is obligated to uphold our high ethical standards as well as strictly comply with applicable laws and regulations. The tone is set by the owner-managers of the business. Our Code of Conduct emphasizes strict compliance with internationally recognized ethical sourcing and compliance with applicable laws and regulations. Specifically, it prohibits the use of any forms of forced or child labour. Furthermore, our owners-managers mandate that we only engage with suppliers who adhere to legal requirement and refrain from employing child or forced labour.

Potential Risks and Mitigation

While we perceive minimal risk of Modern Slavery in our Canadian operations, we acknowledge higher risks associated with certain manufacturing regions and materials. To mitigate these risks, we review our suppliers Reports on the Supply Chain Act, focusing on their diligence and ethical sourcing assessments from time to time of non-Canadian suppliers. We strive to continually evaluate and improve our policies and standards to further mitigate such risks.

Remediation

In the event of identifying potential or confirmed instances of Modern Slavery within our supply chains, we commit to conducting thorough investigations and implementing appropriate remedial actions. However, during our fiscal year ended May 31 2023 and the period June 1 2023 to December 31 2023, we did not uncover any cases of Modern Slavery, thus requiring no remedial actions.

Training

We plan and conduct training sessions throughout the fiscal year ended May 31 2023 and the period June 1 2023 to December 31 2023, in particular for employees involved in procurement, focusing on Modern Slavery awareness and associated responsibilities.

Assessing Effectiveness

Our management team is responsible for establishing, maintaining and evaluating our supply chains and supplier selection processes. We assess on an on-going basis the effectiveness of our risk controls, including those related to our supply chains, as part of our governance framework. Our objective is to strengthen these controls, whenever they are needed, throughout our fiscal year 2024 and 2025.

Conclusion

Morrey has undertaken certain steps to address the risk of forced labour and child labour in its supply chains, including conducting assessments and working with reputable suppliers. Moving forward, we are committed to continue with our due diligence processes and evaluating their effectiveness in ensuring compliance with all forced labour and child regulations.

Attestation

In accordance with the requirements of the Act, and in particular Section 11 thereof, I attest that I have reviewed the information contained in the Report for the entity or entities 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.

Signed by

"Chris Plessl"

Chris Plessl
Controller
G&L Morrey Holdings Ltd and
Morrey Auto Group

May 30 2024