Heffner Motors Limited

Report on Efforts to Prevent & Reduce the Risk of Forced & Child Labour in Supply Chains

For the financial year ended December 31, 2023

1. Introduction

This report is made on behalf of Heffner Motors Limited ("Company") and describes the actions taken by the Company during the financial year ending December 31, 2023 to assess, prevent and reduce the risk that forced labour or child labour is used at any step in its operations and supply chains pursuant to the requirements of section 11 of the Fighting Against Forced Labour and Child Labour in Supply Chains Act ("Act"). This Report constitutes the first report prepared by the Company under the Act.

2. Structure, Activity and Supply Chains

The Company is a corporation based in Kitchener, Ontario.

The Company specializes in the retail sale of motor vehicles and parts as well as comprehensive vehicle servicing and repairs. We operate new and used vehicle sales, vehicle parts sales, vehicle servicing, as well as vehicle detailing and collision repair services.

As a dealer of new and used vehicles and their parts, our supply chain is primarily based on the supply chain of automotive manufacturers. Specifically, as an authorized Toyota Canada dealer, the majority of the Company's procurement spend is with Toyota. Toyota Canada's report can be found at; https://www.toyota.ca/toyota/en/modern-slavery-report

We also purchase goods and services from other third party suppliers. These suppliers include Consolidated Dealer Services, NAPA Auto Parts, Monarch Oil. Each of these suppliers have performed their own reports under the requirements of the Act and can be requested from them.

3.   Policies and Due Diligence Processes

Heffner Motors has engaged with each of its suppliers and has received and reviewed copies of their reporting requirements under the Act. We have conducted due diligence to ensure none of our suppliers are engaging in these practices and are satisfied with the information provided.

4.   Assessment of Forced Labour and Child Labour Risks

The Company has not independently engaged in its own risk assessment with regards to forced labour or child labour in its supply chain. As the majority of the Company's supply chain is based on the supply chain of Toyota Canada and other suppliers listed it relies on the assessment undertaken by those entities with regards to the extent of this risk.

5.   Remediation Measures

The Company has not identified any instances of forced labour or child labour in its supply chain, and so no remediation measures have been taken.

6.   Remediation of Loss of Income

The Company has not identified any instances where the measures it has implemented to eliminate forced labour or child labour from its supply chain has led to the loss of income, and so no remediation measures have been taken to address this issue.

7.   Training

We have engaged with our training providers and are looking at options available to us for staff training. Management is aware of requirements and using this perspective when engaging with new suppliers.

8.   Assessing Effectiveness

The company has set up a regular review/audit of the organization's policies and procedures related to forced labour and child labour;

The company is also working with suppliers to measure the effectiveness of their actions to address forced labour and child labour.

9.   Approval and Attestation

This report has been approved by the Board of Directors of Heffner Motors Limited under section 11(4)(a)of the Act.

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.

Heffner

TOYOTA

Full name: Nick Heffner

Title: Director

Date: May 28 2024

Signature:

I have the authority to bind [Approving Entity].