



**The Jim Pattison Auto Group**

**Modern Slavery Report 2023**

This Modern Slavery Report (the "Report") addresses the period from January 1, 2023 to December 31, 2023 and has been prepared in compliance with Bill S-211, *An Act to enact the Fighting Against Forced Labour and Child Labour in Supply Chains Act* (Canada) (the "Act").

This initial report is made on behalf of **Jim Pattison Industries Ltd. dba The Jim Pattison Auto Group ("JPAG")**, and its wholly owned subsidiaries, **Jim Pattison Auto Edmonton Ltd., Jim Pattison Auto Surrey Ltd., Frontier Acquisition Inc., 1224452 BC Ltd, 1224463 BC Ltd. and 1240313 BC Ltd.**, and is a joint report.

## **I. INTRODUCTION**

Forced or child labour, each as defined in the Act, are crimes and serious violations of human rights. As a leading business in the automotive industry, JPAG recognizes the important role that we have in ensuring that the supply chains that support our operations and products adhere to the highest ethical standards, including the prevention and identification of forced or child labour in our supply chain.

## **II. CORPORATE OVERVIEW AND SUPPLY CHAINS**

JPAG owns and operates 28 locations in Western Canada made up of 26 dealerships and 2 standalone auto body shops. We represent 16 manufacturers which include Toyota, Lexus, Subaru, Hyundai, Chrysler, Jeep, Dodge, Ram, Promaster, Volkswagen, Volvo, Audi, Acura, Honda, Infiniti and Nissan. Our primary business is the sale and service of new and used vehicles and we have locations on Vancouver Island, the Lower Mainland of Vancouver, Edmonton, Calgary and Winnipeg. 100% of our business revenue is within Canada.

JPAG employs over 1,200 people in Canada and our head office is located at 15393 Guildford Drive, Surrey, BC V3R 0H9.

JPAG's corporate structure consists of the parent company Jim Pattison Industries Ltd. and its wholly owned subsidiaries which include Jim Pattison Auto Edmonton Ltd., Jim Pattison Auto Surrey Ltd., Frontier Acquisition Inc., 1224452 BC Ltd, 1224463 BC Ltd. and 1240313 BC Ltd. Business numbers are attached as an Appendix. JPAG is wholly owned by Jim Pattison who is based in Vancouver, BC.

Our locations range in size from 9,300 sq ft to over 120,000 sq ft. The majority of the properties our dealerships or body shops are located on are owned by a related company within the Pattison Group. We have a few locations leased from third parties with long-term leases in place.

Our largest asset is our inventory of new and used vehicles which are acquired directly from the 16 manufacturers listed above. For the most part our inventory of new vehicles is 100% financed through floorplan financing with major financial institutions. These vehicles are sourced from our manufacturer partners who build the vehicles in countries which include China, Mexico, Sweden, Germany, Japan, Korea, United States and Canada. We purchase a large number of used vehicles in a number of ways which include buying directly from local vehicles owners, purchasing through local auctions and taking vehicles in on trade to name a few. We do from time-to-time purchase vehicles from the United States and import them for sale. We also carry a large selection of parts which are available for sale to consumers and used within our service departments in each of our dealerships.

Along with the sale of new and used vehicles, we offer finance and insurance products to our customers to further protect their investment in their vehicle. We have four body shops, with two located within dealerships and two on standalone properties and offer auto body services to consumers and businesses in BC and Manitoba. We own our own equipment used in the sale and servicing of new and used vehicles which are sourced from various Canadian vendors.

We procured approximately \$995 million (2023) and \$822 million (2022) in new and used vehicles from sources listed above. We also purchased \$60 million (2023) and \$64 million (2022) in parts. The majority of parts are purchased from the same manufacturers as our new vehicles, but we also purchase from other non-OEM suppliers within Canada. We use third party suppliers/service providers to perform services which include: IT services, phone services, janitorial services, advertising, and maintenance of equipment and property.

The remainder of our business is derived from the resale of internal labour (service and body shop), as well as the sale of finance and insurance products.

In total, we procure goods and services from approximately 500-600 suppliers and contractors. Approximately 85% of our purchases come from the 16 manufacturers mentioned above.

### **III. POLICIES AND DUE DILIGENCE PROCESSES**

We currently do not have any internal policies dealing with Supply Chain Policies or Supplier Code of Conduct. We have not yet done any due diligence, other than informal internal discussion, to address the risk of forced or child labour.

As mentioned earlier, we deal primarily with large vehicle manufacturing companies. We rely on them to maintain ethical standards and business practices.

The responsibility of educating ourselves about the risks of forced or child labour will fall onto senior management with oversight from our board of directors. Once various risk assessments are completed, policies, procedures and training can be considered.

### **IV. RISK ASSESSMENT AND MANAGEMENT**

At this point our biggest risk comes from the supply of vehicles and parts from the 16 manufacturers we represent. The risk is that forced or child labour is used to manufacture some or all of the vehicles or parts used in the vehicles and/or sold to us. We also deal with larger non-OEM vendors that supply parts and goods used within our service departments. The risk is that forced or child labour is used to produce these parts or goods. It is also possible that forced or child labour could be used by our third party service providers such as janitorial, IT services and maintenance.

### **V. MODERN SLAVERY REMEDIATION MEASURES**

If through our risk assessment and vendor inquiry we find any unethical business practices or use of forced or child labour, we insist the entity take all reasonable action to address or remove these practices, including where relevant addressing any practices of other entities in its supply chains. If they are unable to remediate the practices, we make a business decision on the continuation of the relationship.

### **VI. LOSS OF INCOME – REMEDIATION MEASURES**

There are currently no measures in place to remediate any forced or child labour in our supply chain. As of the writing of this report we have no knowledge of forced or child labour being used in our supply chain, but we are committed to the addition of processes to help identify these instances and support the development of an appropriate remediation approach.

**VII. TRAINING**

JPAG currently has no training programs in place to address this area of concern. As we learn more about the risks inherent in our supply chain, we will look to possible training for our people to help them identify the risks and ensure proper communication of those risks to senior management so that we, as a company, can address the risk and remediate, if possible.

**VIII. ASSESSING EFFECTIVENESS**

As we currently do not have any internal policies dealing with Supply Chain Policies or Supplier Code of Conduct, we have not taken or planned any activities to assess the effectiveness of our policies, processes, and practices.

**IX. APPROVAL AND ATTESTATION**

This Report was approved pursuant to paragraph 4(b)(i) of the Act and has been submitted to the Minister of Public Safety and Emergency Preparedness in Canada. This Report is also available on our company website at [www.jpautogroup.com](http://www.jpautogroup.com).

In accordance with the requirements of the Act, and in particular section 11 thereof, I attest that I have reviewed the information contained in this Report for JPAG. Based on my knowledge, and having exercised reasonable diligence, I can attest that the information in this Report is true, accurate and complete in all material respects for the purposes of the Act, for the reporting year listed above.

This Report is approved by:

Printed Name: Bill Harbottle

Title: President

Company: Jim Pattison Industries Ltd. (and its subsidiaries) dba The Jim Pattison Auto Group

Signature: 

Date: May 29, 2024

**The Jim Pattison Auto Group  
Business Account Numbers**

Number	GST Accounts	Payroll Accounts	Dealerships
<b>Jim Pattison Industries Ltd.</b>			
119406502	RT0025	RP0002	Jim Pattison Toyota Victoria
	RT0055	RP0003	Jim Pattison Lexus Victoria
	RT0026		Jim Pattison Toyota Duncan
	RT0023		Jim Pattison Toyota Northshore
	RT0041		Jim Pattison Lexus Northshore
	RT0051		Jim Pattison Toyota Downtown
	RT0024		Jim Pattison Toyota Surrey
	RT0059		Canyon Creek Toyota
	RT0038		Jim Pattison Hyundai Surrey
	RT0040		Jim Pattison Hyundai Northshore
	RT0046		Jim Pattison Hyundai Coquitlam
	RT0054		Jim Pattison Subaru on Regent
	RT0056		Jim Pattison Subaru Northshore
	RT0045		Jim Pattison Subaru Coquitlam
	RT0057		Jim Pattison Subaru Victoria
	RT0036		Jim Pattison Volvo of North Vancouver
	RT0049		Jim Pattison Volvo of Surrey
	RT0047		Jim Pattison Chrysler Jeep Dodge North Surrey

**Frontier Acquisition Inc.**

804652204	RT0001	RP0001	Jim Pattison Toyota on Regent
		RP0004	
	RT0002	RP0002	Jim Pattison Subaru South
		RP0005	
	RT0003	RP0003	Jim Pattison Collision & Glass
		RP0006	

**Jim Pattison Auto Surrey Ltd.**

828273649	RT0001	RP0001	Jim Pattison Volkswagen Surrey
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**Jim Pattison Auto Edmonton Ltd.**

835806431	RT0001	RP0001	Audi Edmonton North
		RP0002	

**1224463 BC Ltd.**

769890872	RT0001	RP0001	Campus Acura Victoria
	RT0002		Campus Honda Victoria

**1240313 BC Ltd.**

747322337	RT0001	RP0001	Campus Infiniti Victoria
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**1224452 BC Ltd.**

769894874	RT0001	RP0001	Campus Nissan Victoria
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