

INTRODUCTION

This statement sets out Kelowna Motors Ltd. dba August Mazda and Kelowna Motors Investments Ltd.'s actions to understand all potential Modern slavery risks related to the business and to put in place steps that are aimed at ensuring that there is no slavery or human trafficking in its own business and its supply chains. This statement relates to actions and activities during the financial year ended December 31, 2023.

As part of the Automotive industry, August Mazda recognizes that it has a responsibility to take steps to assess, prevent and reduce the risk that forced labour or child labour is used at any step in its operations and supply chains.

Kelowna Motors Investments Ltd. controls Kelowna Motors Ltd. dba AugustMazda.

This Report constitutes the first report prepared by August Mazda/ Kelowna Motors Investments Ltd. under the Act.

STRUCTURE, ACTIVITIES AND SUPPLY CHAINS

August Mazda is a corporation based in Kelowna, British Columbia. The company specializes in the retail sale of motor vehicles and parts as well as comprehensive vehicle servicing and repairs.

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 Mazda dealer, the majority of the Company's procurement spend is with Mazda Canada.

POLICIES AND DUE DILIGENCE PROCESSES

Although no specific policies and due diligence processes related to forced or child labour were in place during the reporting period, the company is in the process of reviewing our existing policies and processes and developing action plans to address gaps, including those related to:

- the business's purchasing practices,
- the assessment of risk,
- identifying signs of forced and child labour,
- measures to take on suspected risks.

ASSESSMENT OF FORCED LABOUR AND CHILD LABOUR RISKS

During the reporting period, August Mazda did not independently engage in its own risk assessment and risk management processes with regards to forced labour or child labour in its supply. As the majority of the Company's supply chain is based on the supply chain of Mazda Canada it relies on the assessment undertaken by Mazda Canada with regards to the extent of this risk. Based on Mazda Canada Inc's Modern Slavery Report for the financial year April 2023 to March 2024, Mazda has determined that its highest risks relate to the activities of other entities they have a business relationship with, and believes that the highest risk products and services relate to Office Cleaning, Print and Promotional Goods, and some subsets of the Vehicle Manufacturing and Parts Supply sectors, Mazda has certain risk management procedures in place related to forced and child labour, and is implementing additional actions during the upcoming fiscal year to further strengthen their existing practices.

REMEDATION MEASURES

August Mazda had not identified any instances of forced labour or child labour in its supply chain, and so no remediation measures have been taken during the year ended December 31, 2023.

REMEDIATION OF LOSS OF INCOME

August Mazda 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 during the year ended December 31, 2023.

TRAINING


Although we did not provide training to our employees related to forced and child labour during the reporting period, August Mazda will be implementing a training program for relevant staff members related to responsibilities under this Act.

ASSESSING EFFECTIVENESS

August Mazda has not taken any action in this reporting period to assess its effectiveness in addressing risks of forced labour and child labour in its activities and supply chains at this time, but will be considering additional actions that should be taken to monitor our risks and effectiveness beginning in 2024.

APPROVAL

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 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.


Brian August
President
May 27, 2024

I have the authority to bind August Mazda and Kelowna Motors Investments