

Supply Chains Act Report

For the year ended December 31, 2023

1 Introduction

- 1.1 At Lone Star Inc. ("**Lone Star**"), we are committed to acting ethically and with integrity in all of our business dealings and relationships, and to promote compliance with applicable laws and protect the dignity and rights of all people connected to our business.
- 1.2 This is Lone Star's first report pursuant to Canada's *Fighting Against Forced Labour and Child Labour in Supply Chains Act* (S.C. 2023, c. 9), and it will be reviewed annually hereafter.

2 Structure, activities and supply chains

- 2.1 Lone Star is a closely held private corporation organized under the laws of the Province of Alberta. Fleming Wong and 542670 Alberta Ltd. (an Alberta corporation owned wholly by Fleming Wong) are the sole voting shareholders of Lone Star.
- 2.2 Lone Star specializes in the retail sale of motor vehicles and parts, comprehensive vehicle servicing and repairs, and leasing and financing services for vehicles. Its activities also include importing vehicles and parts to be sold or used in Alberta in the operation of its business. Lone Star employs approximately 100-110 people and its only business operations are in the Province of Alberta.
- 2.3 As a dealer of new and used vehicles and their parts, our supply chain is primarily based on the supply chain of automotive manufacturers and third-party suppliers.

3 Supply chain risk profile

- 3.1 Lone Star has not independently engaged in its own risk assessment with regard to forced labour and child labour in its supply chain.
- 3.2 That said, we recognise that risks of forced labour and child labour may be present through our supply chains, including in the production of the goods that we sell or use in the operation of our business.

4 Steps taken

- 4.1 During its previous financial year, Lone Star has not taken any steps to prevent and reduce forced labour and child labour risks.

5 Policies and due diligence processes

- 5.1 As of the date of this report, Lone Star has not implemented any policies or due diligence processes in relation to forced labour and child labour. Lone Star is currently investigating the risks of forced labour and child labour and will determine next steps with respect to developing any such policies and processes.

6 Training

- 6.1 As of the date of this report, Lone Star has not implemented any training programs regarding forced labour and child labour. Lone Star is currently investigating the risks of forced labour and child labour and will determine next steps with respect to developing any such training programs.

7 Remediation measures

- 7.1 As of the date of this report, Lone Star has not discovered any instances of forced labour and child labour in its business or supply chains. As such, no remediation measures were taken.

8 Remediation measures relating to loss of income to vulnerable families

- 8.1 As of the date of this report, Lone Star has not taken any measures to eliminate the use of forced labour and child labour, and therefore has not discovered any loss of income to the most vulnerable families that results from any such measures. As such, no remediation of loss of income was taken.

9 Assessing effectiveness

- 9.1 As of the date of this report, Lone Star has not taken any measures to prevent or reduce risks of forced labour and child labour in its activities and supply chain, and therefore has not assessed the effectiveness of any such measures. As Lone Star investigates risks of forced labour and child labour and implements appropriate measures, it will determine next steps with respect to assessing the effectiveness of any such measures.

10 Approval

- 10.1 This report is made in accordance with Section 11 of the *Fighting Against Forced Labour and Child Labour in Supply Chains Act* and constitutes Lone Star's report for the financial year commencing on January 1, 2023 and ending on December 31, 2023.
- 10.2 This report was approved by the Board of Directors of Lone Star pursuant to paragraph 11(4)(a) of the *Fighting Against Forced Labour and Child Labour in Supply Chains Act* on May 30, 2024.
- 10.3 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: 
Fleming Wong
Sole Director
Date: May 30, 2024

I have the authority to bind Lone Star Inc.