

May 2024

Supply Chains Act - Report - Parkway Motors Hamilton

1. Introduction

This report is made on behalf of Parkway Motors Hamilton. Parkway Motors Hamilton has been servicing Hamilton Ontario and area for over 40 years.

This report describes the actions taken by the Company during the financial year ending December 31, 2023 to assess, prevent and where possible reduce the risk that forced 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, Activities and Supply Chains

The Company is incorporated in the city of Hamilton as Parkway Motors Hamilton Ltd, with two locations, o/a Red Hill Toyota and o/a Upper James Toyota. The Company specializes in the retail sale of motor vehicles, new and used, automotive 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 Toyota dealer, most of the Company’s procurement spend is with Toyota Canada Inc. We are aware that our industry might be one that has a risk in its supply chain or that locations of manufacturing may also be one of risk. As a result, we recognize the need to be aware how TCI is mitigating risk and implementing business processes and practices to prevent forced and child labour and the risk that might affect our business.

3. Policies and Due Diligence Processes

Due to new anti-slavery legislation, we recognize the need to review all our suppliers. This review encompasses OEM and third-party suppliers of the products we sell, including new vehicles, parts, accessories, and other items essential to our daily operations.

Our supplier list is currently under development and will be dynamic, changing from year to year. This list will guide our decisions and influence our engagement and willingness to do business with certain suppliers if we identify any associated risks.

We are also assessing how our OEM is responding to this new legislation and what their commitments and processes are. Recently, Toyota Canada distributed a memo to its dealer network detailing the steps they have taken to prevent and reduce the risk of forced and child labor in their supply chains. They have also finalized their report, which can be found here: [Toyota Modern Slavery Report](#).

4. Assessment of Forced Labour and Child Labour Risks

The Company has conducted minimal independent risk assessments concerning forced labor or child labor within its supply chain. Instead, it primarily relies on the evaluations conducted by Toyota Canada Inc. and Toyota Manufacturing, as a significant portion of its supply chain is integrated with these entities. Therefore, the Company depends on Toyota Canada's assessment to understand the extent of these risks and their processes taken in forced labour prevention.

We have reviewed internal hiring processes for people under the age of 18 along with Federal and Provincial legislation as related to part-time and/or summer students to ensure our policies align with government policies. We have awareness training that our HR manager has completed.

We have started a review of suppliers that may use off-shore suppliers and polices are in development to mitigate risk and support prevention. We are committed to completing and enforcing this process in the upcoming year.

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. To date, we are not aware of our suppliers using forced labour or child labour and our own hiring follows all provincial and federal legislation regarding child labour laws.

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

As of May 2024, the Company provides optional training. The training creates awareness of the new Modern Slavery Act and outlines ways it may impact our industry and business. This training is available to any employee should they wish but the focus is on Executive and Departmental Management.

8. Assessing Effectiveness

The Company has not taken any action to assess its effectiveness in addressing risks of forced labour and child labour in its activities and supply chains.

9. Approval and Attestation

This report has been approved by the Board of Directors of Parkway Motors Hamilton Ltd. in accordance with 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.

Full name: Ilya Pinassi

Title: President

Date: May 31, 2024

Signature:  _____

I have the authority to bind Parkway Motors Hamilton Ltd.