

Pothier Motors LTD 2024 Modern Slavery Report

Effective January 1st 2024

1.0 Introduction

This report is prepared by Pothier Motors LTD (“**Pothier Motors**” or “**we**” or “**us**”) for the year beginning January 1st, 2024 as required by the *Fighting Against Forced Labour and Child Labour in Supply Chains Act* (the “**Act**”). This report summarizes the steps taken to prevent and reduce the risk that modern slavery is used at any step of the production of goods that are produced, sold, or distributed by us.

In this report, we use the term “modern slavery” to refer to forced labour and child labour.

2.0 Steps to Prevent and Reduce the Risk of Forced Labour and Child Labour

Broadly, we took the following steps during Fiscal 2024 to prevent and reduce the risk of forced labour or child labour in our operations and supply chain:

- Conducted an internal assessment to identify areas of our operations that have a risk of forced labour and child labour;
- Contacted suppliers to ascertain the risks of forced labour and child labour in their supply chain;
- Mapped activities and our supply chain;
- Developed and deployed a formal statement on modern slavery in our supply chain;
- Developed and implemented anti-forced labour and child labour contracting clauses and a compliance checklist for employees with responsibility for procurement; and
- Created awareness and training materials to enhance employees’ understanding of the Act and their related responsibilities.

3.0 Structure, Activities and Supply Chains

Pothier Motors LTD is an incorporated Canadian company founded in 1957. Pothier Motors LTD is a franchised Chrysler Dodge Jeep Ram Fiat franchise located at 18 Falmouth Back Road, Falmouth Nova Scotia.

Pothier Motors has 40 employees as of May 23rd, 2024, all of whom are in Canada.

Pothier Motors supply chain consists of suppliers of finished goods based in Canada.

3.1 Our Mission, Vision, and Values

Mission

Our mission is to provide value to our customers and employees by:

- Offering vehicles and products in demand at fair prices
- Providing a safe and equitable work place environment
- Contributing to economic and social development.

Vision

Our vision is to be a respected, responsible business offering value to our customers, employees and community.

Values

We create trust by living by our values:

- Act with integrity.
- Foster excellence.
- Be accountable.
- Work collaboratively.
- Respect others.

3.2 Our Activities and Supply Chains

Pothier Motors sales, service, and other activities are conducted almost exclusively in Canada. Table 1 below summarizes the limited set of goods sold, or distributed by Pothier Motors LTD.

Category	Department	Description of Goods
Vehicle/Building/Trailer Sales	Sales Department	Vehicles, Trailers, Buildings
Vehicle/Trailer Service	Service Department	Vehicle/Trailer Service (labour)
Vehicle/Trailer Parts	Parts Department	Vehicle/Trailer Parts

Table 1: Main Goods Used or Procured by Pothier Motors

Pothier Motors imports 4-Star trailers exclusively from the United States in accordance with the *Customs Act*.

4.0 Policies and Due Diligence Processes

4.1 Code of Conduct

The Pothier Motors Code of Conduct (the “Code”) has been adopted as the minimum standard of ethics for all internal stakeholders of Pothier Motors (i.e., employees at every level and the Board of Directors). Complying with the Code is part of the terms and conditions of the employment relationship with Pothier Motors. The Code is intended to help guide all internal stakeholders to continue to effectively recognize and address ethical issues, enhance existing mechanisms of reporting unethical conduct, and help to continue to foster and sustain a culture of honesty and accountability. All Pothier Motors internal stakeholders are bound by the Code and must comply with its requirements.

4.2 Considerations for Modern Slavery in Procurement

In 2024, Pothier Motors adopted procedures which govern procurement, to reduce the risks of modern slavery in our supply chain. We developed in tandem a checklist that guides staff on the key considerations to be made with respect to modern slavery during procurement.

4.3 Contractual Clauses

Pothier Motors has developed contractual clauses that seek to reduce the risk of modern slavery. Going forward, we intend that all contracts to be negotiated with suppliers of goods shall include such clauses.

4.4 Supplier Code

We are currently developing a Supplier Code of Conduct (“Supplier Code”). The Supplier Code will set out rules for our suppliers that require them to take certain steps to reduce the modern slavery risks in their supply chains. We plan to deploy the Supplier Code in 2024.

4.5 Reporting Mechanisms

Pothier Motor’s Fraud Policy outlines the avenues in which any stakeholder of Pothier Motors can report suspected wrongdoing, fraudulent acts, questionable behavior and/or violations of our Code of Conduct. Reporting can be done by calling, emailing, or texting our owner at any time.

5.0 Risk Assessment

Pothier Motor’s operations are located entirely within Canada and are largely focused on sales and service. We are not engaged in the type of work normally associated with forced labour or child labour.

Nonetheless, we recognize that the potential exists for forced labour or child labour to be present in our supply chain, either with direct suppliers or indirect suppliers further down the supply chain.

To inform our assessment of risks, we considered research published by the US Department of Labor that examines which goods are at risk of being produced by forced labour and child labour. We also made direct inquiries with applicable suppliers about how they assess risks of modern slavery in their supply chains.

While we must continue to be vigilant, our current assessment is that we have minimal exposure to modern slavery risks in our supply chain. A more detailed summary of risks is set out below.

5.1 Parts/Vehicles

Pothier Motors sells parts and vehicles. We understand that there is a risk that many of these items may have been sourced from areas with human rights concerns.

Pothier Motors is a franchise of Stellantis N.V., and the vast majority of our parts and vehicles are supplied by them. They have invested in a comprehensive review of their supply chain. Details on their efforts can be found at <https://www.stellantis.com/en/responsibility/human-rights>

To reduce risks with our other minor suppliers, we made inquiries with them about their due diligence practices and any policies or codes relating to modern slavery. Their policies can be found here:

NAPA- <https://napaautoparts.eu/en/modern-slavery-statement/>

Staples: <https://help.staples.ca/hc/en-us/articles/5679816499735-Supplier-Code-of-Conduct>

Amazon: <https://sustainability.aboutamazon.com/modern-slavery-statement.pdf>

5.2 Recognition Gifts

Pothier Motors LTD distributes gifts to recognize the contributions of our employees. The gifts are acquired from companies with operations and supply chains primarily or only within Canada.

5.3 Office Supplies

Pothier Motors acquires office supplies for our own use. We understand there are risks that these items were produced in areas with questionable labour standards.

To reduce such risks, we made inquiries with our suppliers about their due diligence practices and any policies or codes relating to modern slavery. We also extended our diligence to second-level suppliers by confirming that all calculator brands we purchase have supplier codes of conduct or policies that prohibit the use of forced labour and child labour.

6.0 Remedial Measures

Pothier Motors is unaware of any instances of forced labour or child labour in our supply chain, and therefore we did not take any measures to remediate any adverse impacts or the loss of income to families that could have resulted from measures taken to address modern slavery.

If we learn of any potential or confirmed instances of modern slavery, we will investigate and take appropriate remedial measures.

7.0 Training

Pothier Motors employees receive regular training on regulatory requirements, ethical practices, and our policies.

8.0 Assessing Effectiveness and Future Improvements

An assessment of the new measures in Sections 4.2, 4.4 and 4.5 of this report will be conducted at the end of the next fiscal year to determine their effectiveness. This assessment will determine what future improvements are needed to enhance our commitment to preventing and reducing the risk of modern slavery in our supply chain.

9.0 Approval and Attestation

This report was approved by all of the owners and officers of Pothier Motors LTD.

In accordance with the requirements of the Act, and in particular section 11 thereof, I, the undersigned, attest that I have reviewed the information contained in this report for the entity listed above. Based on my knowledge, and having exercised reasonable diligence, I 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.

I have the authority to bind Pothier Motors LTD.

Chad Pothier

Full Name: Chad Thomas Pothier
Title: Vice President/Dealer Principal

Pothier Motors LTD

May 23rd, 2024