

BILL S-211

An Act to enact the Fighting Against Forced Labour and Child Labour in Supply Chains Act and to amend the Customs Tariff

Modern Slavery Statement for the Financial Year ended 2024

This statement is made pursuant to Bill S-211, An Act to enact the Fighting Against Forced Labour and Child Labour in Supply Chains Act and to amend the Customs Tariff. This statement outlines the approach and initiatives by Surette Battery Company Ltd. to identify and address the risks forced labour and child labour in its business operations and supply chains during the financial year commencing April 1, 2023 and ending March 31, 2024.

Structure

Surette Battery Company Ltd. was established as a Canadian battery manufacturer in 1959 with its head office and manufacturing facility at 58 Lisgar St. Springhill, Nova Scotia, Canada. Which is a Canadian Controlled Private Corporation with approximately 100 full time employees.

Supply Chain

- Our supply chain is heavily focused in Canada and the US
- We do have supply chain partners in Europe, China and Vietnam.
- Our products are packaged in Canada, China, Vietnam and Greece

Risks in Supply Chain

- Offshore production of goods for export and domestic markets can carry some risk. We mitigate this through our robust publicly posted policies for Conflict Minerals (Since 2019), Anti-Slavery and Human Trafficking (Since 2022) and our Supplier Code of Conduct (developed with bill S-211 in mind and effective April 4, 2024.)

Actions Taken

- Under ISO 9001:2015 Procurement is included in our quality systems manual, and the department is audited to this standard at least once a year. This includes verification of our Approved Suppliers List.
- Parts/components for manufacture or resale may only be procured from vendors that are listed on the ASL.
- We have implemented a robust Supplier Code of Conduct.
- We have a specific Anti-Slavery and Human Trafficking policy.
- We have a specific Conflict Minerals policy.

- These policies are publicly posted online at <https://www.rollsbattery.com/resources/> under Certifications and Policies.
- New Suppliers complete a questionnaire regarding their activities and must review and agree to the 3 policies listed above.

Risk Assessment

- New Suppliers from risk areas typically have an onsite factory inspection to ensure acceptable working conditions, control of products and processes,
- All existing suppliers from risk areas have experienced onsite factory inspection.
- Risk assessment is a cornerstone of ISO 9001:2015 and is included in all activities governed by our certification.

Remediation

- All stakeholders will have the ability to report on any supplier activity that violates the Supplier Code of Conduct. Stakeholders can call 1-800-681-9914 or email sales@rollsbattery.com to ensure these concerns are properly addressed by a Company representative. The identity of the stakeholder who reported the violation will remain anonymous to the supplier. Surrette Battery Company LTD.'s representative will be required to follow up with the stakeholder who reported the violation to ensure that it has been resolved. In the case of several violations of the Supplier Code of Conduct, the contract between Surrette Battery Company LTD. and the supplier in question may be terminated.

Training

- The primary Employees responsible for procurement of materials for the manufacture of goods, or actual goods for resale are trained in Supply Chain Management.
- We are looking at specific training in regard to MAS Bill S211 for all staff involved in procurement.

Effectiveness Assessment

- Effectiveness is determined by comparing the number of reported incidents against the affected suppliers during the annual review of our ASL per ISO 9001:2015.

Signed,



Virginia Archibald, CPA CA
CFO
May 30, 2024