



## **Volatus Aerospace: Modern Slavery Act Report**

**Submission Date:** 30 May 2024

**Reporting Period: (Fiscal Year 2023)**

**To:** The Minister of Public Safety and Emergency Preparedness

### **Introduction:**

*The Fighting Against Forced Labour and Child Labour in Supply Chains Act* (the “**Act**”) requires that businesses state actions they have taken during the fiscal year to prevent and reduce the risk of forced labour or child labour within their operation and supply chain. This is a report for Volatus Aerospace Corp. (“**VAC**”). This report covers the 2023 fiscal year end, being December 30, 2023, and summarizes the company’s management and monitoring of its supply chain operations and compliance programs.

At Volatus ~~admir~~ social equity is a key focus for our business and we are committed to doing this both in Canada and abroad. We recognize our responsibility to respect and protect the human rights of all people who support and intersect with our business, comprised of colleagues and employees in our stores and facilities and workers, including migrant and temporary labourers, in our supply chain network. Our customers trust that the products we sell come from suppliers that provide safe, fair, and ethical working conditions for workers; this expectation is addressed in our position on Human Rights.

Volatus is committed to preventing and reducing the risk of forced and child labour applies to our network of facilities nationwide, our business partners and our worldwide supply chain network. We expect our business partners and suppliers (as well as their contractors, agents, subcontractors, sub-agents and labour agencies) to uphold these same principles within their operations and adhere to applicable human rights and employment standards laws.

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## **1. Structure, Activities, and Supply Chains**

### **Company Structure:**

Volatus Aerospace is a leading provider of innovative aerospace technologies and services, including the design, manufacturing, and maintenance of unmanned aerial vehicles (drones). The company operates in North America and Europe with headquarters located in Ontario, Canada.



**Activities:**

Volatus Aerospace engages in the following activities:

- Design and development of drones and drone systems.
- Manufacture and support of Volatus designed systems.
- Sale and support of other OEM drones and related accessories
- Aerial intelligence data gathering and analysis services utilizing drones and manned aircraft.

**Supply Chains:**

Our supply chains encompass the procurement components, and services necessary for the manufacturing and maintenance of our products. Key suppliers are located in North America, Europe, and Asia.

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**2. Policies and Due Diligence Processes**

**Environmental, Social, and Governance and Modern Slavery Policies:**

Volatus Aerospace has established an Environmental, Social, and Governance policy that includes a dedicated Modern Slavery policy. These policies are designed to combat forced and child labor in our supply chains and ensure ethical business practices.

**Due Diligence Processes:**

Our due diligence processes involve:

- Conducting risk assessments to identify areas vulnerable to forced and child labor.
  - Implementing supplier audits and evaluations.
  - Integrating forced labor risk assessments into procurement procedures.
  - Establishing a grievance mechanism for reporting and addressing labor violations.
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### 3. Identification and Management of Forced and Child Labor Risks

#### **Risk Assessment:**

Volatus Aerospace has identified the following areas in our supply chains with elevated risks of forced and child labor:

- Procurement of materials and components, particularly from regions with known exploitation risks
- Manufacturing processes outsourced to third-party suppliers in countries with weaker labor regulations.

#### **Risk Management:**

Steps taken to manage these risks include:

- Partnering with certified and ethically vetted suppliers.
- Requiring suppliers to provide transparency in their own supply chains.
- Conducting regular audits and site visits to high-risk suppliers.

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### 4. Remediation Measures for Forced and Child Labor

#### **Remediation Measures:**

In cases where forced or child labor is detected, Volatus Aerospace has implemented the following measures:

- Immediate termination of contracts with non-compliant suppliers
- Collaboration with non-governmental organizations and local authorities to provide support and remediation to affected workers.
- Development of rehabilitation programs for former child laborers



## 5. Remediation Measures for Income Loss

### Income Loss Remediation:

To date there have been no identified or reported instances of loss of income to vulnerable families that resulted from measures taken to eliminate the use of forced labour or child labour in our activities and supply chains.

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## 6. Employee Training on Forced and Child Labor

### Training Programs:

As a startup company, Volatus Aerospace is committed to completing its comprehensive training program on Modern Slavery and Human Trafficking by December 31, 2024. This program includes:

- Mandatory training sessions for all staff involved in the procurement of products or services on behalf of Volatus.
  - Workshops on identifying and reporting forced labor practices.
  - Regular updates and refresher courses to ensure ongoing awareness and compliance.
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## 7. Effectiveness Assessment

### Effectiveness Assessment:

To evaluate the effectiveness of our efforts, Volatus Aerospace employs the following methods:

- Regular internal audits and assessments of supply chain practices.
- Monitoring and reviewing supplier compliance reports.
- Tracking and analyzing incident reports and remediation outcomes.
- Engaging third-party auditors to provide independent assessments.



## Conclusion

Volatus Aerospace is committed to upholding the highest standards of human rights in our supply chains. By implementing robust due diligence processes, comprehensive training, and effective remediation measures, we strive to eliminate forced and child labor from our operations. This report outlines our ongoing efforts and progress in this critical area.

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## Approval and Attestation

The Report was approved pursuant to subparagraph 11(4)(b)(ii) of the Act by the Board of Directors of Volatus Aerospace Corp.

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.

I have the authority to bind Volatus Aerospace Corp.

DocuSigned by:  
  
Per: \_\_\_\_\_  
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Glen Lynch  
President & Chief Executive Officer.  
Date: 29 May 2024

This report is intended to comply with the requirements set forth by the Canada's Fighting Against Forced Labor and Child Labor in Supply Chains Act and reflects our commitment to ethical business practices.