

## BILL S-211

### Vulcan Automotive/Industrial Engines Ltd.

#### Modern Slavery Statement for the Financial Year of April 1, 2023, to March 31, 2024

##### Group Structure and Supply Chain

Vulcan Automotive Equipment Ltd. is a corporation established in 1969. Vulcan Automotive is associated with Industrial Engines Ltd. And a few asset rich property companies, putting it over the threshold for filing. It's the head office is located at Unit 101-1008 Cliveden Avenue, Delta, BC, Canada, V3M 5R5

Vulcan Automotive employs 8 people across 3 locations in Canada, while Industrial Engines employs about 15 across 2 locations in Canada.

Vulcan Automotive is a distributor of remanufactured automotive parts from one supplier (Ford Motor Company) from the United States. It imports the remanufactured parts that assembled made in the US and distributes them across Canada. Since the parts are remanufactured, the origin of the source materials is mainly from recycled parts from the US and Canada.

Industrial Engines is a distributor and manufacturer of engines and parts and works with multiple suppliers. It orders from about 20-30 suppliers, with a majority in the US, but some in the UK and South Korea.

##### Risks in Supply Chain

At Vulcan Automotive/Industrial Engines, we have always committed to using suppliers that are reputable from countries that have laws and protection against forced/child labour. When ordering parts from outside the country we use international shipping companies that are well known and operate in Canada. We understand that while the companies we purchase from directly don't use any forced/child labour, the procurement of source materials of the parts purchased is not always known. There is also the fabrication of parts before they are sold to the larger suppliers we purchase from that could pose a risk in forced labour.

##### Actions Taken

At Vulcan Automotive/Industrial Engines, the actions taken to combat forced/child labour is mainly external. Since all our locations are in Canada and follow Canadian labour laws and we do not outsource anything like customer service, the majority of the action we take to combat forced/child labour is in our due diligence in the selection of our suppliers.

Employees are encouraged to find suppliers that are reputable, and whenever possible, find suppliers that are located in either Canada or the US. When purchasing from abroad, we focus on purchasing from larger, established brands for parts rather than third party sellers to avoid any extra unknown sections in the supply chain.

While we do not currently have any concrete actions to identify risks in our supply chain, we intend to implement them. This may include a more in-depth supplier application process, asking suppliers to identify any risks in their supply chain related to forced/child labour. It may also include more on-site visits when establishing a new supplier, or yearly questionnaires to be completed by suppliers.

#### Remediation

Since we have not encountered any example of forced/child labour from our suppliers to date, we do not currently have any remediation measures set in place. However, if we were to find out one of our suppliers was engaging in forced/child labour, we would immediately stop using that supplier.

As for the remediation of loss of income, we do not believe that vulnerable families would experience a loss of income as a result of us no longer doing business with a supplier. Therefore, no measures have been taken to remediate the loss of income for these families.

#### Training

With all our locations situated in Canada, we do not train employees on dealing with forced/child labour in our own workplaces. However, when someone is hired who deals with finding new suppliers, they are trained to find suppliers that carry the smallest risk in relation to forced/child labour, ie prioritizing suppliers from Canada and the US, and doing their due diligence in these suppliers.

#### Effectiveness Assessment

Vulcan Automotive/Industrial Engines has not taken any action to assess their effectiveness in preventing and reducing risks in forced/child labour in our supply chains.

#### Sign Off

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.

Alan Meikle, Owner/President



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May 29, 2024