

EXHAUST MASTERS INC

(O/A APD AUTOMOTIVE PARTS DISTRIBUTORS)

RESPONSIBILITY IN SUPPLY CHAIN REPORT 2023



Introduction

This Report is made pursuant to Bill S-211, *Fighting Against Forced Labour and Child Labour in Supply Chains Act* by Exhaust Masters Inc (APD, Automotive Parts Distributors, we, us, our) in respect of the actions taken to prevent and reduce the risk of forced labour and child labour risks for the year ended 30 November 2023 (Reporting Period).

Structure, Activity and Supply Chains

Exhaust Masters Inc, a leader in the auto parts sales and distribution business in Alberta and Saskatchewan since 1993, is committed to upholding the highest standards of ethical conduct in our operations. We purchase, warehouse, and distribute finished automotive products primarily from General Motors (NYSE:GM), LKQ Corporation (Nasdaq: LKQ), and as a member of Modern Sales, a Canadian co-operative.

With a dedicated team of 160 employees across Edmonton, Leduc, Red Deer, Calgary, Lloydminster, Fort McMurray in Alberta, and Saskatoon in Saskatchewan, we serve a diverse customer base comprising repair shops, corporations with vehicle fleets, and new and used car dealerships.

Our products, sourced from the Canadian warehouses of Modern Sales, and the Canadian and USA warehouses of General Motors and LKQ Corporation, are subject to rigorous policies established by these high-visibility suppliers. These policies, developed in collaboration with the Automotive Industry Action Group (AIAG), address critical industry issues, including child labor, slavery, and human trafficking.

General Motors, a key supplier, maintains leadership positions in AIAG and provides direct financial support to the organization. GM endorses AIAG's Corporate Responsibility Guidance Statements, which offer guidance on business ethics, global working conditions, and environmental responsibility, including guidelines prohibiting child labor, slavery, and human trafficking. Through AIAG, GM provides training to its suppliers and employees on human trafficking and slavery, reinforcing the shared expectations of GM and other participating AIAG auto company members. This training covers areas such as child labor, forced labor, freedom of association, harassment and discrimination, and health and safety.

At Exhaust Masters Inc, we review and support the efforts, policies, and procedures put in place by all of our suppliers in relation to forced labor, child labor, slavery, and human trafficking. Our Supplier Code of Conduct also prohibits the use of forced labor, child labor, slavery, and human trafficking. To date, exhaustive due diligence has revealed no instances of these practices within our supply chain. All of our

suppliers have confirmed compliance with Bill S-211 and documents detailing all of the related undertaking to do so have been provided, and are also posted on their respective websites.

Exhaust Masters Inc has engaged in numerous and frequent reviews with our supply chain employees to ensure that any indication of forced labor or child labor is reported. All of our supply chain employees and management have completed the AIAG Supply Chain Sustainability eLearning course.

Our effectiveness in ensuring that forced labor and child labor are not being used in our business and supply chains is assessed based on our due diligence efforts. To date, we have found no evidence of these practices in our operations. Exhaust Masters Inc is committed to maintaining the highest ethical standards in our operations and supply chains, and we will continue to work diligently to prevent any form of forced labor or child labor in our activities.

Approval and Attestation

RE: Exhaust Masters Inc, BILL S-211 Reporting for Financial Year 2023

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 Exhaust Masters Inc



May 30,2024

Zara Wishloff

Date

President & CEO