



# FORCED LABOUR AND CHILD LABOUR REPORT

2000007 ONTARIO INC., DBA INKAS® ARMORED VEHICLES MANUFACTURING







## INTRODUCTION

As a prominent Canadian company operating in the security and defence manufacturing sector, 2000007 Ontario Inc., dba INKAS® Armored Vehicles Manufacturing (“INKAS®”) is committed to the highest standards of ethical conduct and corporate responsibility. INKAS® recognizes the existence of risks related to forced labour and child labour (also referred to as modern slavery) and understands that addressing these risks necessitates a collaborative effort with our suppliers, our workforce and other external stakeholders.

This Report outlines INKAS®’s governance processes, existing measures, and progress made in the 2023 fiscal year to prevent and mitigate the risks of modern slavery within our operations and our supply chain.

## REPORTING CONTEXT

INKAS® is a provincially incorporated entity subject to the legal requirements in Section 11 of the Fighting Against Forced Labour and Child Labour in Supply Chains Act (the Act). This Report is a single report filed by INKAS® pursuant to the Act and was approved by the INKAS® Board of Directors (the Board) on May 30, 2024.

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# OUR STRUCTURE, BUSINESSES AND SUPPLY CHAIN

## OUR CORPORATE STRUCTURE AND BUSINESS ACTIVITIES

Founded in 2000, 2000007 Ontario Inc., dba INKAS® Armored Vehicles Manufacturing (“INKAS®”) is headquartered in Toronto, Ontario and is a leading Canadian-based company that specializes in the design, production, manufacturing, and distribution of a wide range of armored vehicles, including executive SUVs, bulletproof luxury sedans, special purpose vehicles, personnel carriers, cash-in-transit vehicles, and others. INKAS® provides armored vehicles for banks, law enforcement agencies, corporate clients, and individuals all over the world.

## OUR SUPPLY CHAIN

INKAS® relies on the services of various suppliers across different sectors within its manufacturing process of its vehicles. Some of those suppliers include vehicles (sometimes just the chassis of the vehicle; other times the vehicle itself); tires, rims and accessories for the vehicles; other miscellaneous parts for the vehicles; glass; paint, and so forth.

# OUR POLICIES AND DUE DILIGENCE PROCESSES

## GOVERNANCE AND RESPONSIBILITIES

INKAS®’s governance framework is designed to uphold the highest standards of corporate governance, risk management, and ethical conduct. The Board oversees strategic decision-making and ensures that corporate objectives align with ethical principles and regulatory requirements. Moreover, INKAS® maintains robust internal controls and risk management processes to identify, assess, and mitigate risks, including those related to forced labour and child labour.

## POLICIES AND STANDARDS

INKAS®’s commitment to ethical conduct is unwavering and it is evidenced in the policies and standards that it has implemented. These policies and standards are reviewed on an annual basis or sooner if necessary to make sure that INKAS® not only remains in compliance with any new regulatory practices and/or procedures but goes above to make sure that human rights are protected at all levels. INKAS® strives to be adaptable and everchanging to the growing demand to provide our clients with products that have their safety first in mind while upholding human rights in the process. In addition to INKAS®’s Code of Business Conduct and Ethics (“Code”), described below, INKAS® has many other policies in place, including but not limited to, Anti-Bribery & Anti-Corruption Policy, Anti-Money Laundering Policy, Health and Safety Policy, and so forth.



## CODE OF BUSINESS CONDUCT AND ETHICS (“CODE”)

INKAS®’s Code of Business Conduct and Ethics (“Code”) reinforces INKAS®’s requirements and expectations for conducting business and expected behaviours and includes a statement on INKAS®’s commitment to human rights. INKAS®’s Code applies to all employees, directors, and officers.

## EXPECTATIONS ON REPORTING VIOLATIONS

INKAS®’s Code provides a framework for asking questions and highlights resources in place to report concerns. INKAS®’s Code also mandates the duty to report suspected code violations and the formal reporting channels that have been established for this purpose. INKAS® also expects its contractors and suppliers to report any suspected violations through the appropriate established channels. It is also expected that all personnel are required to report any actual or suspected violation of the law or Code, including those in context of forced labour and child labour, and all health, safety and environmental related hazards, potential hazards or incidents, of which they become aware.

INKAS® takes every report seriously and provides immunity from disciplinary action for good faith reporting of incidents and issues. INKAS® also allows for reports to be done anonymously provided that enough information about the incident or situation is provided to allow INKAS® to investigate the matter properly.

# MODERN SLAVERY RISKS

## UNDERSTANDING OUR RISK EXPOSURE

INKAS®’s greatest risk exposure to forced labour and child labour is through suppliers and the primary sources of these risks come from procuring goods in higher-risk geographies and sectors. Based on our review of our supply chain activities, we did not encounter any forced labour and child labour risk exposure to INKAS® and we continue to evaluate this risk on an ongoing basis.

# OUR ACTIONS TO ADDRESS MODERN SLAVERY RISKS

## SUPPLIER REGISTRATION AND RISK CLASSIFICATION

INKAS® utilizes a risk-based model to manage modern slavery risks in our supply chain. INKAS® uses various processes to screen and monitor suppliers and its global supply chain for human rights risks, including forced labor and child labour.

In accordance with INKAS®'s policies, suppliers are required to go through screening and monitoring. A questionnaire is sent to suppliers to help determine each supplier's risk profile and understand their corruption, forced labour and child labour, and anti-bribery and corruption (ABC) risk exposure. Moreover, the questionnaire requests information from suppliers as to whether they have policies and procedures that deal specifically with forced labour and child labour.

In addition to the above, the supplier risk classification process includes reviewing results from various third-party counterparty screening tools. These independent, third-party tools provide comprehensive due diligence screening based on global news and information sources and risk categories, including ABC risk exposure, beneficial ownership, sanctions and adverse media.

If, upon completion of the questionnaire and third-party screening, it is determined based on the answers received by the suppliers and outcome of the screening conducted that there is a residual risk exposure level for activities connected to child and forced labour, INKAS® follows up with further requests for information and escalation to senior management, where appropriate. High-risk suppliers, materials, and manufacturing sites that are flagged by INKAS®'s internal processes may be subject to additional internal due diligence screening and risk controls.

In 2023, no suppliers screened by INKAS® were found to have forced labour or child labour issues.

## OUR REMEDIATION MEASURES

When identifying the risks of forced labour or child labour in the INKAS®'s activities and supply chain, INKAS® primarily focuses on understanding the operations and supply chain of our Tier 1 suppliers.

Since INKAS®'s processes and tools did not yield any evidence of forced labour or child labour, we did not implement any remediation measures in the 2023 fiscal year.

# OUR TRAINING AND AWARENESS

In addition to INKAS®'s policies and due diligence processes overall and specifically on forced labour and child labour, INKAS® takes training of employees and managers alike very seriously. Specifically, all employees at INKAS® must complete five courses, three of which are specifically centered around human rights, accessibility and workplace violence and harassment. Managers alike must complete 6 courses and likewise to employees, 3 of these courses are explicitly about human rights, accessibility and workplace violence and harassment. The training is approximately 78 and 99 minutes in length, respectively for employees and managers. The training consists of a knowledge check test that is completed after each module and a certificate is granted upon the successful completion thereafter. Moreover, INKAS®'s compliance employees, all executives and the employees that work directly with our Tier 1 suppliers must complete ACAMS's two-part module that specifically focuses on fighting modern slavery and human trafficking. The training consists of a knowledge check test that is completed at the end of each module and a certificate is granted upon the successful completion of each module.

# ASSESSING OUR EFFECTIVENESS

INKAS® is committed to fostering a resilient and transparent supply chain where the human rights of every worker involved are valued and respected. In 2023, INKAS®'s focus was on further enhancing our policies and processes to continue to effectively manage our suppliers on issues of forced labour and child labour and thereby ensuring that human rights are not violated within our supply chain.

Currently, INKAS® performs an annual review of its various policies that it has in place that address various aspects within its operations; including but not limited to, its human rights policy, its hiring and onboarding policy, its inventory and assets management policy, its purchasing policy and so forth.

Further, INKAS®'s Code of Business Conduct and Ethics is reviewed annually and the strictest adherence to it is required from not only all employees but also from the President and other senior executives and financial officers as well as members of the Board of Directors. Moreover, all employees and directors are specifically required to be familiarized and comply with INKAS®'s Anti-Bribery & Anti-Corruption Policy, Anti-Money Laundering Policy, Health and Safety Policy.

# ASSESSING OUR EFFECTIVENESS (CONTINUED)

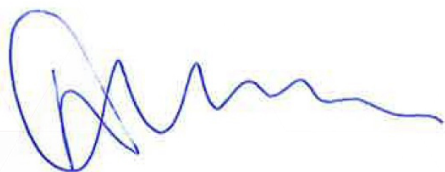
INKAS® believes in the efficacy of its measures to prevent and mitigate forced labour and child labour within its operations and supply chain at the Tier 1 level. INKAS® will continue to strive for and continually improve its sustainable and transparent supply chain by assessing contractual terms and working with suppliers to measure the effectiveness of their actions to address forced labour and child labour, including tracking relevant performance indicators.

Identifying and addressing forced labour and child labour in the global supply chain is a complex social, economic, and governance issue that can only be resolved through partnership and collaboration across industry, suppliers, governments, and non-profit organizations.

As part of INKAS®'s commitment to identifying and addressing forced labour and child labour, INKAS® will continue to strive to identify emerging risks within its supply chain. INKAS® will endeavour to continue to develop and implement additional due diligence policies and processes for identifying, addressing and prohibiting the use of forced labour and child labour in its supply chain.

## REPORT APPROVAL AND ATTESTATION

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 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 authority to bind 2000007 Ontario Inc., dba INKAS® Armored Vehicles Manufacturing.



**David Khazanski**

CEO

Date: May 30, 2024