

Cavalier Tool & Manufacturing Ltd.

BILL S-211

2025 Report



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Introduction

The following report has been prepared by Cavalier Tool & Manufacturing Ltd. in accordance with Section 11 of Canada’s *Fighting Against Forced Labour and Child Labour in Supply Chains Act* (the “Act”) for the financial year ending November 30, 2025. The entity covered by this report is Cavalier Tool & Manufacturing Ltd. (Business Number: 100846609).

Cavalier Tool & Manufacturing Ltd. (“Cavalier”) qualifies as a reporting entity under the Act as it has a place of business in Canada, conducts business activities in Canada, and maintains assets in Canada. In addition, the Company meets applicable size-related thresholds relating to revenue and the importing and distribution of goods.

Cavalier is committed to conducting business with integrity, transparency, and accountability across its operations and supply chains. In alignment with the requirements of the Act, this report outlines the measures undertaken during the reporting period to identify, assess, and mitigate risks related to forced labour and child labour within the Company’s operations and supply chains.

Section A: Structure, Activities, and Supply Chains

Cavalier is headquartered in Ontario, Canada, and specializes in the production of mid to large-sized molds serving the automotive, commercial, recreational, and agricultural sectors. The Company operates three manufacturing facilities in Canada and maintains three design offices in India.

Cavalier sources products and services through a network of direct and indirect suppliers located primarily in Canada, the United States, China, Vietnam, India, and Hong Kong. While Cavalier maintains design operations and oversight of hiring practices in India, the Company does not conduct manufacturing activities within that jurisdiction.

Section B: Policies and Due Diligence Processes

Cavalier is committed to maintaining ethical business practices throughout its operations and supply chain activities. The Company recognizes the importance of responsible sourcing and maintaining strong supplier relationships as key components in mitigating the risks of forced labour, child labour, and other unethical practices.

During the reporting period, Cavalier did not maintain a formal standalone policy specifically addressing forced labour or child labour. However, the Company undertook several initiatives to strengthen internal awareness and due diligence practices related to compliance with the Act. These initiatives included internal discussions with procurement personnel regarding the requirements and implications of the Act, as well as supply chain risk training focused on modern slavery and responsible supply chain practices. In addition, as part of its ongoing supplier management activities, Cavalier conducts site visits to selected supplier locations in China, India, and the United States to enhance visibility into supplier operations and business practices. Cavalier continues to evaluate opportunities to further strengthen its policies, governance practices, and due diligence processes related to responsible sourcing and supply chain risk management.

Section C - Forced Labour and Child Labour Risks

To identify and evaluate the risks of forced and child labour within our supply chains, Cavalier recently conducted a meticulous risk assessment utilizing insights drawn from the Walk Free Global Slavery Index, the Organization for Economic Co-operation and Development (OECD) Due Diligence Guidance for Responsible Business Conduct, and the US Department of Labour's List of Goods Produced by Child Labour or Forced Labour.

This risk assessment does not assume the presence of forced or child labour within our operations or supply chains; instead, it seeks to identify potential situations where such risks could arise, enabling Cavalier to implement effective preventive measures. Our assessment acknowledges the widespread threat of forced and child labour across industries and recognizes vulnerabilities within specific sectors of our supply chain, particularly in regions with less stringent regulatory frameworks and enforcement mechanisms.

The analysis directed attention to specific geographic areas identified by the Walk Free Global Slavery Index and other authoritative references as having an increased likelihood of forced and child labour occurrences. This assessment of geographic risk was bolstered by an evaluation of product categories considered to be at risk, thereby enhancing the accuracy of our risk assessment process.

Risk Assessment Findings

Based on the available procurement expenditure data for the reporting period, Cavalier identified direct suppliers located across six countries: Canada, the United States, China, Vietnam, India, and

Hong Kong. Procurement spend associated with suppliers located in Canada and the United States represented approximately 70.6% of total procurement expenditures.

Among the countries assessed, India, representing approximately 0.6% of total procurement spend, was identified as presenting a comparatively elevated inherent risk based on indicators referenced within the Walk Free Global Slavery Index. The exercise was conducted on information that was best available for scrutiny at the time of the assessment, and Cavalier understands that the proportion of expenditure by country can change as we work together with our suppliers to gather more information on sourcing for transparency and compliance. We no less, wish to consider these risks seriously.

In addition, we analyzed data sourced from the US Department of Labour's List of Goods Produced by Child Labour or Forced Labour. This assessment plays a critical role in pinpointing particular items within our imported goods that could be vulnerable to forced or child labour. Based on this review, Cavalier did not identify imported products that indicated an elevated likelihood of association with forced labour or child labour practices.

Overall, the assessment indicated a relatively low level of exposure to forced labour and child labour risks within the Company's supply chain relative to total procurement expenditures. Nevertheless, Cavalier remains committed to continuing to identify, assess, and manage potential risks through ongoing supplier engagement and risk management practices.

Section D - Remediation Measures

In the previous fiscal year, there were no identified instances of forced labour or child labour within our supply chain and operating activities, thus no remediation measures were necessary or implemented.

Looking ahead, we will work closely with our suppliers to strengthen our ability to detect any occurrences of forced or child labour within our operations or supply chains and implement necessary remedial actions as appropriate.

Section E - Remediation of Loss of Income

In the previous fiscal year, no instances of forced labour or child labour have been identified within our operations or supply chains. As a result, no measures have been implemented to address income loss among vulnerable communities.

Section F - Training

During the reporting period, although no formal training program had initially been established, discussions regarding the requirements and implications of the Act were incorporated into procurement and executive team meetings. These discussions helped raise internal awareness of forced labour and child labour risks, as well as Cavalier's responsibilities under the Act.

Building on these initial awareness discussions, Cavalier subsequently implemented formal supply chain risk training focused on modern slavery, supply chain transparency, and responsible sourcing practices in the 2026. The training session was attended by members of the procurement, logistics, accounting, and leadership teams and was designed to provide practical guidance on identifying, assessing, and managing potential risks within the Company's supply chain activities.

The training included an overview of the Act and its reporting requirements, including annual reporting obligations, disclosure expectations, and the potential compliance, operational, and reputational risks associated with forced labour and child labour. The session also provided broader context regarding the prevalence of modern slavery globally and the importance of supply chain transparency and due diligence practices.

As part of the training, participants were introduced to practical risk assessment approaches focused on geographic, operational, and product-level risks within supply chains. Discussions included the use of recognized external resources such as the Walk Free Global Slavery Index and the United States Department of Labor's List of Goods Produced by Child Labor or Forced Labor to help identify jurisdictions and product categories that may present elevated risk.

The training also covered practical indicators and red flags that may suggest elevated forced labour or child labour risks, including sourcing from higher risk jurisdictions, reliance on subcontracted labour, lack of supplier transparency, inconsistent supplier responses, and pricing that may appear inconsistent with fair labour practices. Employees were encouraged to apply a practical and risk-

based approach by asking reasonable supplier questions, remaining attentive to potential concerns, and escalating issues where appropriate.

Cavalier will continue to utilize these training materials on an ongoing basis as part of its ongoing efforts to strengthen awareness, responsible sourcing practices, and supply chain risk management related to forced labour and child labour.

Section G - Assessing Effectiveness

Cavalier recognizes the importance of assessing the effectiveness of measures implemented to prevent and reduce the risk of forced labour and child labour within its operations and supply chains.

While the Company did not maintain formalized procedures during the reporting period specifically dedicated to evaluating the effectiveness of such measures, Cavalier has taken steps to strengthen its internal capabilities through focused training on modern slavery risk management and the requirements of the Act.

In addition, Cavalier continues to engage with supply chain partners through supplier site visits, internal awareness discussions, and ongoing supplier relationship management practices intended to support responsible sourcing and identify potential areas of concern.

As the Company's supply chain due diligence practices continue to mature, Cavalier intends to further enhance its monitoring, assessment, and governance processes in response to evolving risks, regulatory expectations, and industry best practices.

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 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.

Full Name: Brian Bendig

Title: President

Date: May 25, 2026

Signature: Brian Bendig

* "I have the authority to bind 'Cavalier Tool & Manufacturing Ltd.'"