

McManes Automotive Group

Joint Report on Efforts to Prevent & Reduce the Risk of Forced & Child Labour in Supply Chains

Introduction

This joint report is made on behalf of the operating companies Country Hills Chrysler Dodge Jeep Ram Ltd., Eastside Dodge Chrysler Ltd., Gateway Motors (Edmonton) Ltd., MB Edmonton West Ltd., MB Country Hills Ltd., McManes Ford Ltd., Sherwood Park Dodge Chrysler Jeep Ltd., South Trail Chrysler Ltd., St. Albert Chrysler Dodge Jeep Ram Ltd., Richmond Chrysler Dodge Jeep Ltd. (*discontinued operations May 1, 2023*) and holding companies James McManes Holdings Ltd., James D McManes Investments Ltd., Michael McManes Holdings Ltd., Neal Gratton Holdings Ltd. and Scott Held Holdings Ltd. It describes the actions taken by the Companies during the financial year ending December 31, 2023 to assess, prevent and reduce the risk that forced labour or child labour is used at any step in its operations and supply chains pursuant to the requirements of section 11 of the *Fighting Against Forced Labour and Child Labour in Supply Chains Act* ("Act"). This Report constitutes the first report prepared by the Companies under the Act.

Structure, Activities and Supply Chains

The Companies are all CCPCs and are based in Alberta and British Columbia with the holding companies owning the operating companies.

The operating companies run franchised dealerships for new and used vehicles, and offer services including financing, insurance, vehicle repairs, and parts sales.

As dealers of new and used vehicles and their parts, our supply chain is primarily based on the supply chain of automotive manufacturers. Specifically, as authorized Stellantis, Toyota, Mercedes-Benz and Ford dealers, the majority of the operating companies' procurement spend is with the manufacturer.

The balance of products and services procured are sourced mainly from Canadian suppliers, which supports local businesses and minimizes risks related to international supply chains.

Policies and Due Diligence Processes

For the period covered by this report there were no official policies in place addressing Forced Labour and Child Labour.

For the period covered by this report there were no official due diligence processes in place before engaging with a new supplier.

Assessment of Forced Labour and Child Labour Risks

The companies have not independently engaged in their own risk assessment with regards to forced labour or child labour in its supply chain. As the majority of the companies' supply chain is based on the supply chain of various manufacturers, it relies on the assessment undertaken by the manufacturers with regards to the extent of this risk.

Remediation Measures

The companies have not identified any instances of forced labour or child labour in its supply chain, and so no remediation measures have been taken.

Remediation of Loss of Income

The companies have not identified any instances where the measures it has implemented to eliminate forced labour or child labour from its supply chain has led to the loss of income, and so no remediation measures have been taken to address this issue.

Training

No training was provided during the period covered by this report.

Assessing Effectiveness

The Company has not taken any action to assess its effectiveness in addressing risks of forced labour and child labour in its activities and supply chains.

Approval and Attestation

This report has been approved by the Board of Directors of all entities named in this report in accordance with section 11(4)(b)(ii) of the Act.

In accordance with the requirements of the Act, and in particular section 11 thereof, we attest that we have reviewed the information contained in the report for the entities listed above. Based on our knowledge, and having exercised reasonable diligence, we 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: James David McManes

Title: Director

Date: 27 May 2024

Signature:



I have the authority to bind Country Hills Chrysler Dodge Jeep Ram Ltd., Eastside Dodge Chrysler Ltd., Gateway Motors (Edmonton) Ltd., MB Edmonton West Ltd., MB Country Hills Ltd., McManes Ford Ltd., Sherwood Park Dodge Chrysler Jeep Ltd., South Trail Chrysler Ltd., St. Albert Chrysler Dodge Jeep Ram Ltd., Richmond Chrysler Dodge Jeep Ltd., James McManes Holdings Ltd., James D McManes Investments Ltd.

Full name: Scott Edward Held

Title: Director

Date: 27 May 2024

Signature:

Scott Held

I have the authority to bind Scott Held Holdings Ltd.

Full name: Michael James McManes

Title: Director

Date: 27 May 2024

Signature:

Mike McManes

I have the authority to bind Michael McManes Holdings Ltd.

Full name: Neal Stuart Gratton

Title: Director

Date: 27 May 2024

Signature:

Neal Gratton

I have the authority to bind Neal Gratton Holdings Ltd.