

Green Diamond Equipment Ltd.

Modern Slavery Annual Report

Financial Year Ended February 29, 2024

MODERN SLAVERY REPORT FISCAL 2024

Green Diamond Equipment Ltd.



This Modern Slavery Report (the “Report”) addresses the period from March 1, 2023, to February 29, 2024, and has been prepared in compliance with the *Fighting Against Forced Labour and Child Labour in Supply Chains Act* (Canada) (the “Act”).

This Report is made on behalf of Green Diamond Equipment Ltd. (“Green Diamond”, “we”, “us” or “our”).

I. INTRODUCTION

Forced labour and child labour, each as defined in the Act, are crimes and serious violations of human rights. As a leading business in the agricultural equipment industry, Green Diamond Equipment Ltd. (“Green Diamond”) recognizes the important role that we have in ensuring that the supply chains that support our operations and products, adhere to the highest ethical standards, including the prevention and identification of forced labour and child labour in our supply chain. This Report sets out the steps we have taken during the period March 1, 2023, to February 29, 2024, to prevent and reduce the risk that forced labour or child labour is used at any step in the production of goods in Canada or elsewhere by Green Diamond or of goods imported into Canada by Green Diamond.

II. OUR BUSINESS

Green Diamond Equipment Ltd., headquartered in New Brunswick Canada is primarily a John Deere and Bombardier Recreational Products ((BRP) dealer that sells agricultural equipment and powersports equipment. We are a corporation that distributes agricultural equipment such as tractors, planting and seeding equipment, and harvesting equipment as well as recreational sports equipment such as personal watercrafts, snowmobiles, and ATVs. We also supply parts, attachments, and services to support those products. We have over 370 employees across 16 physical locations in Canada, which are situated in New Brunswick, Nova Scotia, and PEI. We also sell products online through our website: <https://green-diamond.dealercustomerportal.com> and [Shop.Deere.Com](https://shop.deere.com) | [Shop genuine John Deere parts & merchandise](https://shop.genuinejohndeere.com) . Our customers are the end-users of our products, which include family farms, agricultural businesses and powersports users located in Canada. We occasionally supply agricultural equipment and associated products to other distributors and customers in Canada and US.

Green Diamond’s supply chain includes businesses that supply agricultural parts and equipment, and supply services to our organization. We receive goods from our suppliers in their final form. Most of our direct suppliers are North American-based agricultural equipment or recreational vehicle manufacturers and distributors, who are based in Canada or US. Our supply chain also includes businesses that are based in other parts of the world such as Germany, United Kingdom, and Netherlands.

In total, we procure goods and services from approximately 1,875 suppliers and contractors. Further information about our business can be found on our websites <https://www.green-diamond.ca> and <https://www.greendiamondpowersports.ca>

III. OUR POLICIES

Green Diamond's internal policies set the standards for communicating our values and expectations to our employees, customers, and business partners. During the fiscal year ended February 29, 2024, we reviewed our internal policies (i.e. Whistleblower, Code of Conduct) to determine gaps in our policy with respect to forced and child labour in our supply chain.

In the new fiscal year (March 1, 2024, to February 28, 2025), Green Diamond will be implementing and rolling out a Supplier Code of Conduct and a Human Rights Policy to communicate our expectations we have of our suppliers, their supply chains, and those with whom we do business. In addition, we are updating our Employee Manual, Code of Conduct and Whistleblower policies to formalize our commitment to combatting forced and child labour in our business and supply chains.

We acknowledge that employees working in our supply chain may be at potential risk of forced labour or child labour. In order to mitigate this risk, we will follow a due diligence approach within our new policy with regard to existing and new suppliers.

IV. ASSESSING OUR RISK

During the Fiscal 2024, Green Diamond began the process to identify and assess Tier 1 supplier risk. In assessing the risk of forced and child labour in our business and supply chains, we mapped our Tier 1 suppliers. To identify the business activities with the greatest exposure to these risks, we consider the following factors:

- High Risk Industry
- Operations in High Risk Regions
- Use of Foreign Worker Recruiters agencies
- Supplier Code of Conduct that address forced and child labour and due diligence.
- Business Code Conduct and/or Human Due Diligence Policy
- Long, complex, or non-transparent supply chains
- Presence of child labour
- Jurisdictional risks including poverty, conflict, and enforcement of international human rights standards.

During the Fiscal 2024, we discontinued the use of a major online platform because of transparency issues with its supply chain. In addition, due to the IT industry being high risk industry all new IT vendors are evaluated to determine the risks in their supply chain prior to becoming a supplier.

Our exposure to the risk of forced labour and/or child labour increases when we engage with third parties, particularly in categories such as transportation, warehousing, construction,

manufacturing, packaging, raw material sourcing, and agriculture. We recognize that our exposure of forced labour and/or child labour increases when we engage with suppliers who source goods or raw materials from countries where forced labour exploitation is known to occur.

As such, in our new fiscal year (March 1, 2024, to February 28, 2025) we will implement a Supplier Code of Conduct and continue implement a risk-based approach to our due diligence activities. Our due diligence will prioritize to the most significant adverse impacts based on severity and likelihood of harm.

V. OUR COMMITMENTS

During our fiscal year ended February 29, 2024, Green Diamond has taken the following steps to address risks of forced and child labour in its supply chain:

- Mapped Tier 1 suppliers
- Developed an action plan for addressing forced labour and/or child labour in its supply chain.
- Removed an on-line platform due to their lack of transparency for purchasing parts and other supplies.
- Implemented a supplier due diligence process for new IT vendors.

Green Diamond is committed to continuing to address the risks in our supply chain. In current fiscal year we plan to:

- Continue mapping risks in our supply chain.
- Continued risk identification and mitigation of Forced and/or Child Labour
- Implement a Supplier Code of Conduct
- Update existing Whistleblower and Code of Conduct policies to specifically include Forced/Child labour.
- Develop and provide a training process to ensure that our business code conduct is understood and applied by our employees.
- Develop and provide training to employees responsible for evaluating suppliers to identify the risks and/or practises of modern slavery by the supplier.

VI. OUR PROGRESS AND EFFECTIVENESS

As we are in the initial phase of implementing processes and procedures to mitigate the risks of Forced and or Child Labour in our supply chains, we have not assessed the effectiveness of these steps to date.

As part of our governance policy, we monitor compliance with our policies on an ongoing basis. We will also review any concerns raised through our Whistleblower Policy and other informal mechanisms of employee feedback. To date, no significant concerns or complaints have been identified.

In Fiscal 2025 (March 1, 2024, to February 28, 2025), the review and compliance monitoring of our policies will include Forced and Child labour policies.

VII. APPROVAL AND SIGNATURE

This Report was approved by Green Diamond’s Board of Directors on May 28, 2024, and has been submitted to the Minister of Public Safety and Emergency Preparedness in Canada. This Report is also available on our company website at green-diamond.ca.

In accordance with the requirements of the Act, and in particular section 11 thereof, I attest that I have reviewed the information contained in this Report for Green Diamond Equipment Ltd. Based on my knowledge, and having exercised reasonable diligence, I attest that the information in this Report is true, accurate and complete in all material respects for the purposes of the Act, for the reporting year listed above.

Amy MacFarlane on behalf of the Directors of Green Diamond Equipment Ltd.



Chairperson of the Board of Directors, May 28, 2024

I have the authority to bind Green Diamond Equipment Ltd.