



**FORCED LABOUR IN
CANADIAN SUPPLY
CHAINS – GREEN
TRACTORS INC. FY 2023
REPORT**

Version 2023 for Submission prior to May 31st, 2024



Executive Summary

Green Tractors is a full-service John Deere dealer - with broad expertise in Agriculture, the Commercial sector, residential and large property owner markets and Golf and Sports Turf.

Green Tractors provides superior customer service and has an entire team that consists of professional sales members, finance experts, service technicians and a knowledgeable parts and accessories staff to support you, our valued customer. We pride ourselves on having well-trained experts that strive for customer satisfaction.

Green Tractors Locations are as follows:

Green Tractors Brampton: 24A Regan Road, Brampton ON, L7A 1A7 (905-846-2511)

Green Tractors Earlton: 271429 Poupore Road, Earlton ON, P0J 1E0 (705-563-2134)

Green Tractors Milton: 15 Steeles Ave, Milton ON, L9T 1X9 (905-878-2121)

Green Tractors Nobleton: 6770 King Road, Nobleton ON, L0G 1N0 (905-859-0581)

Green Tractors Kingston: 2073 Hwy #15, Kingston ON, K7L 4V3 (613-541-3912)

Green Tractors Odessa: 6515 County Rd 2, Odessa ON, K0H 2H0 (613-386-7442)

Green Tractors Omemee: 114 Heights Rd, Omemee ON, K0L 2W0 (705-799-2427)

Green Tractors Orono: 3242 Taunton Rd, Orono ON, L0B 1M0 (905-983-9119)

Green Tractors Port Perry: 620 Durham Rd 21, Port Perry ON, L9L 1A6 (905-985-9701)

Green Tractors have locations with a history going back to 1957, and many of the current locations have a history of 30 plus years. The number of staff at all locations is around 185.



Requirement (a) – Structure, activities, and Supply Chains

Structure

Green Tractors Inc. is a corporation that was incorporated in the province of Ontario.

Its organization structure is departmentalized between Administration, Sales, Parts and Service Departments. The structure is as follows:

Organizational Structure

Executive Management

General Manager/Owner: Oversees all operations, sets strategic direction, ensures financial stability.

Finance Manager: Manages financial planning, budgeting, accounting, and reporting.

Branch Manager: Oversees the operational details of a specific store.

Sales Department

Sales Manager: Leads sales team, sets targets, develops strategies.

Sales Representatives: Interact with customers, understand needs, sell equipment.

Customer Service Representatives: Handle inquiries, support customers, provide after-sales support.

Service Department

Service Manager: Manages maintenance and repair operations.

Technicians/Mechanics: Perform repairs, maintenance, inspections.

Parts Manager: Manages inventory of spare parts.

Parts Department

Parts Manager: Manages inventory and sales of parts.

Parts Sales Representatives: Assist customers in finding and purchasing parts.

Marketing Department

Marketing Manager: Develops and implements marketing strategies.

Administrative and Support Staff

HR Manager: Handles recruitment, employee relations, compliance.

Office Administrators: Manage daily administrative tasks, scheduling, customer communication.



Organizational Mandate

Green Tractors Inc. primarily focuses on the sale, service, and support of various types of machinery and equipment, specializing in agriculture, construction, industrial, and consumer applications.

Green Tractors Inc. aims to provide high-quality equipment and exceptional customer service while ensuring ethical business practices and contributing positively to the communities we serve.

Number of Employees

Green Tractors has around 185 employees. They are all based in and operated in Ontario. The general composition of our staff is from the Greater Toronto Area, up to the Earlton store in the Timiskaming area and out East to the Quebec border.

Partner Organizations

Green Tractors Inc. is currently a member of the Canadian Equipment Dealers Association.

Control of Other Entities

Green Tractors Inc. currently does not have control over any other entities.

Business Activities

The key business activities for Green Tractors are:

1. Sales and Distribution
 - a. New and Used Equipment Sales: Offering a wide range of machinery, including tractors, harvesters, construction equipment, and more, both new and used.
 - b. Parts and Accessories Sales: Providing essential parts and accessories to maintain and enhance equipment functionality.
2. Customer Service and Support
 - a. Maintenance and Repair Services: Offering routine maintenance and repair services to ensure optimal performance and longevity of equipment.
 - b. Technical Support: Providing expert advice and troubleshooting assistance to address customer issues promptly and efficiently.
3. Customer Education and Training
 - a. Product Demonstrations: Conducting demonstrations to showcase equipment features and benefits.
 - b. Training Programs: Offering training sessions to educate customers on proper equipment operation and maintenance.



4. Supply Chain Management
 - a. Inventory Management: Ensuring the availability of equipment and parts through effective inventory management practices.
 - b. Logistics Coordination: Managing the transportation and delivery of equipment and parts to customers in a timely manner.
5. Marketing and Outreach
 - a. Marketing Campaigns: Developing and implementing marketing strategies to promote products and services.
 - b. Customer Engagement: Building and maintaining relationships with customers through events, promotions, and direct communication.
6. Financial Services
 - a. Financing and Leasing Options: Providing financial solutions to help customers acquire equipment through loans, leases, and other financing options.
7. Adherence to Regulations: Ensuring compliance with industry regulations and standards.
 - a. Ethical Sourcing and Practices: Partnering with suppliers who adhere to robust ethical standards, particularly regarding labor practices.
8. Community Involvement
 - a. Local Engagement: Participating in community events and supporting local initiatives.
 - b. Sustainability Efforts: Implementing and promoting sustainable practices within the organization and among customers.

Supply Chain

For Green Tractors Inc. our supply chain primarily consists of equipment and parts sourced from major manufacturers. Most of all products sourced will be from John Deere (USA). Other top manufacturers represented are Lemken (GER), Horst (CAN) and Stihl (GER). These suppliers all with head offices and manufacturing located in North America and Europe should have stricter regulations to follow. The supply chain, specifically focusing on John Deere looks as follows:

1. Manufacturing and Sourcing
 - a. John Deere Factories: Agricultural equipment is manufactured at various John Deere factories worldwide. These factories produce tractors, harvesters, combines, sprayers, and other machinery.
 - b. Component Suppliers: Parts and components for the equipment are sourced from a network of approved suppliers. These components include engines, hydraulics, electronic systems, and other critical parts.
2. Distribution and Logistics



- a. Regional Distribution Centers (RDCs): John Deere operates several RDCs strategically located to serve different geographic regions. These centers stock a wide range of equipment and parts.
 - b. Transportation Partners: Logistics companies are contracted to transport equipment and parts from the manufacturing plants and RDCs to the dealerships. This involves coordination of shipping via trucks, rail, and sometimes sea freight for international deliveries.
3. Dealership Inventory Management
- a. Inventory Planning: Dealerships forecast demand and place orders with John Deere to maintain an optimal inventory of equipment and parts. This involves tracking sales trends, customer orders, and seasonal demand fluctuations.
 - b. Receiving and Storage: Upon arrival, equipment and parts are received, inspected, and stored in the dealership's inventory. Proper inventory management systems are used to track stock levels and ensure availability.
4. Sales and Customer Engagement
- a. Sales Team: The dealership's sales team works directly with customers to understand their needs and recommend appropriate equipment solutions. This includes both new and used machinery.
 - b. Customer Orders: Specific customer orders are placed through John Deere's ordering system, ensuring that any non-stock items can be sourced quickly from the nearest RDC or manufacturing plant.
5. Service and Parts Department
- a. Service Requests: Customers bring their equipment to the dealership for maintenance and repairs. Service technicians diagnose issues and determine the necessary parts and labor.
 - b. Parts Inventory: The dealership maintains a comprehensive inventory of spare parts to support timely repairs. Special or out-of-stock parts are ordered from John Deere's RDCs or directly from suppliers if needed.
 - c. Repairs and Maintenance: Technicians perform the required maintenance and repairs, ensuring that equipment is returned to customers in optimal working condition.
6. After-Sales Support and Training
- a. Customer Training: The dealership provides training sessions and resources to help customers operate and maintain their John Deere equipment effectively.
 - b. Technical Support: Ongoing technical support is available to assist customers with any issues or questions they may have regarding their equipment.

With respect to John Deere and their location of offices, manufacturing facilities and distribution hubs, you can see the extensive list at: <https://www.deere.com/en/our-company/contact-us/locations/>



Requirement (b) – Policies and due diligence processes

As John Deere is the main supplier for Green Tractors Inc, this review provides a comprehensive analysis of the risks associated with forced labour and child labour within the supply chains of Green Tractors Inc., specifically through the lens that it deals primarily with John Deere products.

John Deere's Supply Chain Overview

Manufacturing and Sourcing:

John Deere manufactures its equipment in various global factories, with parts and components sourced from an extensive network of suppliers. This global reach necessitates a rigorous supply chain management process to ensure ethical practices are maintained.

Distribution and Logistics:

John Deere operates several Regional Distribution Centers (RDCs) and utilizes transportation partners to distribute equipment and parts. This includes coordination of shipping via multiple transport modes to ensure timely delivery to dealerships.

Dealership Operations:

Dealerships forecast demand and manage inventory, ensuring availability of equipment and parts. They engage directly with customers, providing sales, service, and support.

Policies and Due Diligence Processes

Current Policies:

The dealership itself does not have formal policies directly addressing forced labour and child labour. However, John Deere, as the primary supplier, has robust policies in place. John Deere is committed to ethical sourcing and compliance with international labour standards.

Due Diligence Processes:

While the dealership does not conduct formal assessments, upper management performs informal reviews of top suppliers to ensure they adhere to ethical practices. These reviews include evaluating suppliers' codes of conduct, business practices, and annual reports for compliance with anti-forced labour and child labour standards.

John Deere's Commitment:

John Deere's commitment to ESG includes:

Supplier Code of Conduct: Mandating ethical practices across all suppliers.

Audits and Assessments: Regularly conducting audits to ensure compliance.

Training and Capacity Building: Educating suppliers and employees on ethical labour practices.



Alignment with ESG and RBC Strategies

Environmental Initiatives:

Ensuring ethical labour practices complements John Deere's broader environmental goals by promoting sustainable and responsible sourcing. This alignment helps reduce the environmental impact of operations while supporting social welfare.

Social Responsibility:

The dealership, through John Deere's policies, supports social initiatives aimed at improving working conditions and promoting fair labour practices. This involves collaboration with NGOs and international organizations to combat forced and child labour.

Governance:

The dealership's informal review process reflects a commitment to good governance. By ensuring suppliers adhere to ethical standards, the dealership upholds its reputation and mitigates risks associated with forced and child labour.

A further review of these policies in detail can be found at:

<https://investor.deere.com/governance/default.aspx>

Requirement (d) – Remediation measures

Green Tractors Inc.'s Role:

As the dealership operates under John Deere's policies, it relies on the supplier's robust remediation processes. The dealership does not have specific remediation policies but ensures that any issues identified through informal reviews are communicated to John Deere for action. Furthermore, as Green Tractors Inc. only engages with suppliers who have robust corporate governance policies, and are located in countries with strong governance and protections, it is assessed that Green Tractors has an extremely low exposure to situations where force labour and child labour conditions could occur in its supply chains.

John Deere's Remediation Efforts:

John Deere has established processes to address any violations of human rights within its supply chain.

These processes include:

- **Supplier Corrective Action Plans:** Implementing specific measures for suppliers found in violation of ethical standards.
- **Engagement with Affected Parties:** Providing support and remediation directly to affected workers where necessary.
- **Transparency and Reporting:** Regularly publishing reports on the measures taken to address any identified issues.



Requirement (e) – Remediation of loss of income

Green Tractors Inc. has judged that vulnerable families have not experienced loss of income because of steps the entity has taken to eliminate forced labour or child labour risks. No measures have been taken.

Requirement (f) – Training

Green Tractors Inc. currently has no formal training requirements, whether mandatory or optional, for awareness-raising activities with respect to forced labour or child labour risks.

Requirement (g) – Assessing effectiveness.

In Green Tractors Inc., the evaluation of the effectiveness in ensuring that forced labour and child labour are not used in our activities and supply chains is primarily conducted through upper management's review process. This review includes:

1. **Annual and Governance Reports:** Upper management examines the annual and governance reports of our suppliers to ensure they adhere to ethical labour practices. These reports often include detailed information on their compliance with international labour standards and any measures taken to prevent forced and child labour.
2. **Supplier Strategies:** We assess the strategies implemented by our suppliers to combat forced and child labour. This includes their policies on ethical sourcing, compliance with relevant labour laws, and any initiatives aimed at promoting fair labour practices within their operations and supply chains.
3. **Reliance on External Suppliers:** We rely on our external supplier partners, particularly those with robust policies and processes, to mitigate risks associated with forced and child labour. Our suppliers are expected to have stringent measures in place to prevent these practices and to regularly audit their supply chains for compliance.
4. **Avoidance of High-Risk Countries:** As part of our risk mitigation strategy, we avoid engaging with potential supply partners that are located in high-risk countries or have supply chains operating in such regions. This proactive approach helps minimize the risk of forced and child labour within our supply chain.



We do not have formalized internal procedures for independently assessing the effectiveness of these measures. Instead, our approach involves a comprehensive review of supplier documentation and reliance on their established practices to ensure compliance with ethical standards. By maintaining strict criteria for supplier selection and ongoing monitoring, we aim to uphold our commitment to preventing forced and child labour in our supply chains.



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 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 Green Tractors Inc.

A handwritten signature in black ink, consisting of several overlapping loops and a long horizontal stroke, followed by a small dot.

Keith Davis
Regional Manager
May 17th, 2024