MID-ONTARIO TRUCK CENTRE

SUPPLY CHAIN TRANSPARENCY REPORT

Fighting Against Forced Labour and Child Labour in Supply Chains

Year 1 | January 1, 2023 – December 31, 2023

Accountable Signing Authority: John Costa, General Manager

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Overview

Mid-Ontario Truck Centre ("**Mid-Ontario**" or the "**Company**") actively upholds human rights and works to prevent any violation of others' human rights through the policies and procedures it has established. Mid-Ontario is committed to establishing safe, inclusive, and respectful work environments wherever it conducts business. Mid-Ontario values the fundamental rights of its employees and all who work within its supply chain, which includes freedom from slavery and child labour, equal opportunities for all, a safe and healthy workplace, and freedom from discrimination and harassment.

In accordance with the *Fighting Against Forced Labour and Child Labour in Supply Chains Act*, SC 2023, c 9 (the "***Supply Chain Transparency Act***"), this report outlines the measures implemented, or to be implemented, by Mid-Ontario to address the risks of modern slavery, including but not limited to forced and child labour[1] within its operations and supply chain. This report is not a joint report as there is no entity which Mid-Ontario controls that is covered by the *Supply Chain Transparency Act*.

Mid-Ontario continues to develop and expand its understanding of the risks associated with the complex issue of modern slavery and to identify areas within its operations and broader supply chain that may be impacted by such challenges. The Company intends to collaborate, or continue to collaborate, across its business and supply chain to implement appropriate practices that mitigate and address potential risks.

Modern slavery is completely unacceptable, including within Mid-Ontario's organization and supply chains. Mid-Ontario acknowledges its responsibility to uphold the rights of individuals working in its organization, as well as those associated with suppliers and business partners who prioritize human rights for their own employees. Recognizing that human rights issues require multifaceted approaches, Mid-Ontario considers it crucial to engage with various stakeholders to promote awareness and foster understanding.

Part I – Structure, Operations and Supply Chains

Our Structure and Operations

Mid-Ontario is incorporated pursuant to the Ontario *Business Corporations Act* as Mid-Ontario Diesel Limited. It operates in the wholesale and retail trade industry, specializing in vehicle sales and service across five locations in Ontario: Vaughan, Ajax, Barrie, Bracebridge, and Peterborough. Since 1994, Mid-Ontario has focused on selling, leasing, and renting new Mack trucks, expanding to include Volvo trucks in 2002. The Company maintains a robust inventory of new and used trucks and runs a fully licensed warranty repair facility, stocked with genuine Mack and Volvo parts.

Mid-Ontario meets the thresholds stipulated under section 2 of the *Supply Chain Transparency Act*.

Our Supply Chains

Mid-Ontario sources approximately 90% of its products from Canada and approximately 10% of its products from the United States. It aims to source locally whenever practicable. Where it

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1 As these terms are defined pursuant to section 2 of the *Supply Chain Transparency Act*.

sources from third parties, Mid-Ontario takes steps to ensure that its business partners comply with local labour, employment, and human rights laws.

Part II – Policies and Due Diligence Processes

Mid-Ontario has implemented rules, procedures, and processes to fulfill its obligations to treat its team members, clients, and suppliers with dignity and respect, and it expects that its contractors, vendors, and suppliers do the same. For its own employees, Mid-Ontario has implemented workplace violence and workplace harassment policies to ensure that all employees' human rights are upheld and provide a mechanism for reporting any unacceptable conduct at the Company's workplaces.

Additionally, Mid-Ontario is in the process of implementing its Policy Against Forced Labour and Child Labour in Supply Chains (the "**Supply Chains Policy**"). The Supply Chains Policy provides that Mid-Ontario has the right to audit its suppliers to ensure there are no risks of forced labour, child labour, human trafficking, or modern slavery in its supply chains. It also enables Mid-Ontario to conduct investigations into any suspicions of the same. Should any employee or business partner of Mid-Ontario violate the Supply Chains Policy, Mid-Ontario will have the discretion to end either the employment or business relationship, or take any other action necessary to comply with its obligations.

Our Due Diligence Processes

Mid-Ontario has developed, and/or is continuing to develop, systems and procedures to track, monitor, and oversee its activities and those of third-party manufacturers. This includes inquiring with its suppliers about the policies and procedures they have implemented to address the issues covered by the *Supply Chain Transparency Act*.

Notably, Mid-Ontario has confirmed with its main supplier, Volvo Group Canada Inc. ("**Volvo**")—also a reporting entity under the *Supply Chain Transparency Act*—that it has implemented a series of robust policies addressing human rights and modern slavery risks, which apply to its employees and business. In particular, Volvo has implemented the Volvo Group Supply Partner Code of Conduct that applies to all of its suppliers, mandating that they submit self-assessments and supplier audits to ensure no risks of forced labour and child labour are present down the entire supply chain. Additionally, Volvo disclosed its "Report on Measures to Prevent and Reduce the Risk of Forced and Child Labour under the *Fighting Against Forced Labour and Child Labour in Supply Chains Act*" to demonstrate its compliance. As such, Mid-Ontario remains confident that Volvo is exercising its due diligence and safeguarding domestic and global supply chains from risks of modern slavery.

Part III – Risks of Forced Labour and Child Labour in Operations and Supply Chains

Mid-Ontario believes there is minimal risk of forced labour or child labour in its supply chain for the following reasons:

- Mid-Ontario's workforce is composed entirely of Canadian employees. Its supply chain consists primarily of Canadian suppliers and, to a lesser extent, U.S. suppliers—both countries with a very low prevalence of modern slavery.
- Mid-Ontario is strict about abiding by Canadian labour and employment law and ensuring all its employees and related parties are working in a safe environment.

Mid-Ontario is not aware of any forced labour or child labour in its supply chain. Both statements are subject to the limitations of Mid-Ontario's risk identification activities.

Part IV – Measures to Remedy Forced Labour and Child Labour

Mid-Ontario is not aware of any incidents of forced labour or child labour in its activities or supply chain in the past financial year, subject to the limitations of its risk identification activities, as described in more detail above and below. Accordingly, Mid-Ontario has not had to take any remedial measures in response to incidents of forced labour or child labour. Should an incident arise, Mid-Ontario is committed to taking the appropriate measures to putting a stop to any misconduct or illegal activities.

Part V – Measures to Remediate the Loss of Income to those Impacted by the Elimination of Forced Labour and Child Labour

Mid-Ontario recognizes that efforts to prevent and reduce the risk of forced and child labour can have the unintended consequence of contributing to a loss of income for vulnerable families.

Mid-Ontario has not, as of the date of this report, become aware of any loss of income to vulnerable families resulting from its measures to eliminate the use of forced labour and child labour in its activities and supply chains. Should such a risk materialize, Mid-Ontario remains committed to preventing and reducing the impact that forced and child labour can have on any vulnerable families.

Part VI – Training Provided to Employees

Mid-Ontario employees complete workplace harassment and violence training as part of its commitment to providing guidance on Mid-Ontario's core values. This training reinforces the Company's commitment to spreading awareness about improper and illegal workplace environments, which may help employees identify the risks of forced labour and child labour in supply chains.

Further, Mid-Ontario will ensure that its employees read and understand its Supply Chains Policy, which is designed to combat any risks or occurrences of forced labour and/or child labour in the Company's supply chains.

Part VII – Assessing Effectiveness of Actions against Forced Labour and Child Labour

Mid-Ontario has taken actions to assess its effectiveness in preventing and reducing risks of forced labour and child labour in its activities and supply chains in the previous financial year by preparing the aforementioned Supply Chains Policy. This policy will be provided to employees and suppliers to ensure they are aware of Mid-Ontario's zero tolerance policy when it comes to the possibility of modern slavery in its business.

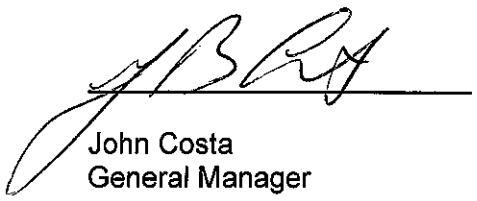
Mid-Ontario will review its reporting document and update it as necessary to ensure that it reflects the emerging consensus on best practices to address the complex issues covered by the *Supply Chain Transparency Act*. Mid-Ontario will also consistently review its policies and supplier contracts to ensure continued compliance and implement any improvements required to ensure it is accurately obtaining and retaining information from its external and indirect business partners.

* * *

Attestation

In accordance with the requirements of the *Supply Chain Transparency 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.

By signing the below, I hereby confirm I have the authority to bind Mid-Ontario Canada.



John Costa
General Manager

November 5, 2024

Date