

MODERN SLAVERY REPORT December 31, 2023

Trochu Motors Ltd.



This Modern Slavery Report (the “Report”) addresses the period from January 1, 2023 to December 31, 2023 and has been prepared in compliance with the *Fighting Against Forced Labour and Child Labour in Supply Chains Act* (Canada) (the “Act”). and has been prepared on behalf of **Trochu Motors Ltd.** (“we”, “us” or “our”).

## 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, Trochu Motors Ltd. 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 2023 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 Trochu Motors Ltd. or of goods imported into Canada by Trochu Motors Ltd.

## I. OUR BUSINESS

Trochu Motors Ltd. is an agricultural equipment dealer headquartered in Alberta, Canada. Trochu Motors was established in 1947 and is an authorized AGCO, Versatile, and Kubota dealership serving the Trochu area. Trochu Motors Ltd. was honored to receive the Five-Star Dealer Excellence award from AGCO in 2020, 2022 and 2023. This award recognizes dealerships for their investment in training, customer service, and business partnership with AGCO. We are a corporation that distributes agricultural equipment including tractors, seeding equipment, and harvesting equipment as well as lawn and garden equipment. We also supply parts, attachments, and services to support these products. We operate 1 physical location situated in Trochu, Alberta. We also sell products online through our website: [www.trochumotors.com](http://www.trochumotors.com). Our customers are largely the end-users of our products, which may include but is not limited to family farms and agricultural businesses located in Canada and the US.

Trochu Motors Ltd.'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, or that require further assembly. Most of our direct suppliers are North American-based agricultural equipment manufacturers and distributors. Our supply chain also includes businesses that are based in other parts of the world such as the US.

## **II. OUR POLICIES**

### **Code of Business Conduct and Ethics**

We are committed to conducting our business in a lawful and ethical manner. Our Company Policy Manual sets out guiding principles on professional conduct and establishes that in performing their job duties, Trochu Motors Ltd. management and employees should always act lawfully, ethically and in the best interests of Trochu Motors Ltd. We are committed to conducting business in an open and ethical manner. We accomplish this by creating a workplace built on the strength of trust, accountability, and integrity in all our business practices. It is the responsibility of every employee to build and maintain this code of ethics by supporting, and actively participating in the process. Here at Trochu Motors we strive to protect all of our employees, vendors, customers, and Trochu Motors itself from any illegal or damaging actions committed by individuals either knowingly or unknowingly.

Trochu Motors will maintain a strict zero tolerance policy against any wrongdoing or impropriety and will immediately take the appropriate disciplinary actions to correct the problem as set out in our Code of Conduct, Anti Harassment and Anti-Violence Policies.

The purpose of the policy is to:

1. Define standards of behavior and conduct, foster a respectful workplace free from bullying, discrimination and harassment.
2. Encourage timely resolution of disrespectful conduct through collaborative discussion; and
3. Set out guidelines for formal resolution processes to resolve bullying, harassment, discrimination, and other disrespectful conduct.

### **Supplier Code of Conduct**

As a retailer our supply chain is primarily based on the supply chain of our manufacturers. Our main manufacturers include AGCO, Versatile, Elmers, Gehringhoff, Honda, Honeybee, Kubota, MacDon and Morris as well as other smaller companies. Trochu Motors Ltd.'s Supplier Code of Conduct sets out the expectations we have of our suppliers, their supply chains, and those with whom we do business. Our Code will outline our commitment to ensuring that forced labour and child labour are not tolerated at any stage of our business activities and throughout our supply chain.

We rely on our suppliers to comply with all applicable legal requirements in the jurisdictions in which they operate and to adhere to business principles and values similar to our own, complying with all applicable laws and regulations. We expect our suppliers to take all reasonable steps to prevent and remediate the use of forced and child labour within their supply chains, both directly and indirectly.

We will encourage our suppliers to share in our commitment to respect human rights, and strive to meet the highest ethical business standards and international best practices for responsible business conduct. Our Supplier Code of Conduct sets forth our commitment to preventing and eliminating forced and child labour, and our expectation that suppliers engage in due diligence to identify, address and resolve risks and instances of forced or child labour in their own operations. We engage with suppliers that are committed to principles of diversity and inclusivity in their supply chains, and ask that suppliers commit to these standards as a condition of doing business with us.

### **Due Diligence**

We will be communicating our Supplier Code of Conduct to our suppliers and have researched those who have made their information and statements public. The Code will be reviewed regularly and evaluated to ensure its effectiveness and relevance to any changing circumstances. We will monitor our compliance with this code and our efforts to address forced labour and child labour within our operations and our supply chain.

### **Risk Assessment**

Trochu Motors Ltd. has not independently engaged in a risk assessment with regards to forced labour or child labour in our supply chain. We have relied on the assessment and policies of our suppliers to ascertain the extent of their risk.

Our exposure to the risk of forced labour and/or child labour in our supply chain increases when our main suppliers engage with third parties, particularly in categories such as transportation, warehousing, construction, manufacturing, packaging, raw material sourcing, and agriculture. We recognize that our exposure increases when suppliers source goods or raw materials from countries where forced labour exploitation is known to occur. Identifying the risk for these indirect suppliers over which we have little control and visibility can prove to be complex, and we continue to make reasonable efforts to understand this.

## **III. OUR COMMITMENTS**

### **Remediation Measures**

Trochu Motors Ltd. has not identified any instances of forced labour or child labour in our supply chain and as such no remediation measures have been taken.

In the event that we discover any forced labour or child labour in our business and supply chains, we will take the following measures to remediate such:

Request that the Supplier shall take measures to address and resolve a suspected case of Forced Labour or Child Labour immediately upon becoming aware of the violation.

Trochu Motors Ltd. will:

- provide Supplier with a reasonable opportunity to correct the violation;
- conduct enhanced monitoring;
- consider removal of Supplier from the Trochu Motors Ltd.'s approved vendor list on a permanent or temporary basis if compliance not met.

### **Training**

In 2024-2025 Trochu Motors Ltd. will initiate an employee training program to help them recognize and prevent forced labour and child labour practices. As part of an updated on-boarding process every new employee of Trochu Motors Ltd. with purchasing authority will obtain online training on our Code of Business Conduct and Ethics and Supplier Code of Conduct. We will provide periodic training opportunities to ensure that all employees have current knowledge.

### **IV. OUR PROGRESS AND EFFECTIVENESS**

As part of our governance process, we will set up a regular review of the organization's policies and procedures including those related to forced labour and child labour;

We will also review any concerns raised through our reporting structure and other informal mechanisms of employee feedback. To date no significant concerns or complaints have been identified.

We will partner with our suppliers to assess their reporting on their supply chain regarding forced labour and child labour and set up a schedule to review their measures.

### **V. APPROVAL AND SIGNATURE**

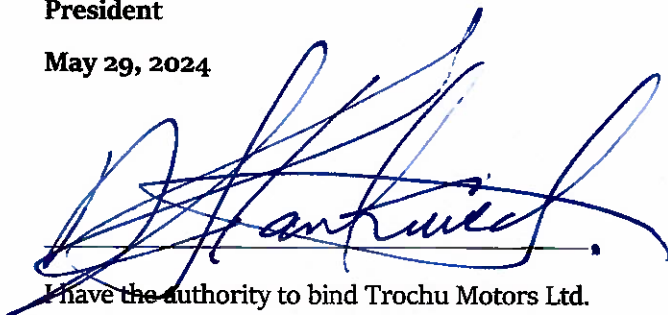
This Report was approved by Trochu Motors Ltd.'s on May 29, 2024 and has been submitted to the Minister of Public Safety and Emergency Preparedness in Canada. This Report is also available on our company website at [www.trochumotors.com](http://www.trochumotors.com)

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 the entity or entities listed above. 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.

**Donald Stankieveh**

**President**

**May 29, 2024**



I have the authority to bind Trochu Motors Ltd.