

Fighting Against Forced Labour and Child Labour in Supply Chains Act (the “Act”)

This report is made pursuant to the *Fighting Against Forced Labour and Child Labour in Supply Chains Act* by Terra Nova Motors Limited, a GMC Buick automotive dealership with operations in St. John’s, NL. We hereby detail the actions taken by the Company during the fiscal year ending December 31st, 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 Supply Chains Act* (“Act”). This report constitutes the first report prepared by the Company under the Act.

Structure, Activities, and Supply Chains

The Company is an authorized General Motors dealership with a license to retail new GMC and Buick vehicles and parts, as well as comprehensive servicing and repairs.

As a licensed automotive dealer in Newfoundland and Labrador, the Company also retails and services used vehicles representing numerous automotive manufacturers in addition to General Motors. These manufacturers have corporate operations within Canada and sell their new vehicles and parts to their approved dealer network throughout Canada.

As a dealer of new and used vehicles and their parts, our supply chain is primarily based on the supply chain of automotive manufacturers. As we are an authorized General Motors dealer, the vast majority of our supply chain interactions and percentage purchases are contracted with General Motors Canada. We also purchase goods and services from other third-party suppliers, including:

- Parts from other automotive dealerships representing non-General Motors brands.
- Generic aftermarket automotive parts distributors.
- Office and shop supplies.
- Dealership equipment.
- Marketing services such as advertising, media, and signage.

- Promotional supplies for marketing purposes.
- Administrative services such as health benefit plans, janitorial, and property maintenance.
- Information technology and telecommunications, including hardware and software.
- Facilities and Utilities, including electricity, fuels, and water.
- Professional services including legal, audit, engineering, and business consulting.

These non-General Motors purchases represent less than ten (10) percent of the Company's overall purchases. Most purchases are from Canadian suppliers, with less than a tenth of one percent (0.10%) from non-Canadian suppliers. We currently do not have information regarding the jurisdiction(s) where their goods originate.

Corporate Policy and Due Diligence

The Company's overall business model incurs a significant reliance on the business practices of General Motors of Canada Company as it pertains to our supply chain. General Motors have publicly shared their policy, procedures, and attestation regarding their commitment to the *Fighting Against Forced Labour and Child Labour in Supply Chains Act*.

Terra Nova Motors Policy and Procedures:

- Code of Conduct – this is our foundational policy that establishes our values as a company and asserts our commitment to a workplace environment founded on mutual respect, integrity, inclusiveness, honesty, professionalism, safety-mindedness, and being employee and customer centric. This Code of Conduct outlines our policies that guide our business and employee expectations, accountabilities, and ideals, resulting in a great employee and customer experience.
- Occupational, Health and Safety Program – An executive and leadership driven program addressing all aspects of the Company's activities that are crafted and aligned to provide a safe and healthy workplace to ensure all employees and customers are protected. This robust and comprehensive program is delivered and kept current through active engagement of the Company's OH&S Committee. The

Company's OH&S program equally extends full responsibility to all Contractors and Sub-Contractors and Visitors to our business location.

- Harassment Policy and Prevention Plan – Terra Nova Motors, in cooperation with its work force, is committed to a healthy, harassment-free work environment. Adhering to the *Human Rights Act, 2010* (Newfoundland and Labrador), everyone is protected within provincial jurisdiction from harassment and other forms of discrimination on the basis of race, religion, sex, pregnancy, sexual orientation, marital status, physical disability, political opinion, color or ethnic, national or social origin and age. Management of Terra Nova Motors has a responsibility to effectively investigate all reports of workplace harassment and to take immediate, effective, and appropriate action to ensure no complaint is dismissed and the legitimacy of the complaint is established. All victims and/or complainants will have their complaint held strictly confidential for protection purposes and to avoid any retaliation. A complete harassment prevention plan and reporting and investigative plan are key components to achieve program success.
- Training for Management and Employees – Training is a critical aspect of reinforcing our ethical culture because it educates all our employees on how to apply the standards and principles set forth in our policies. Terra Nova conducts both external consultant lead and company executive lead training updates on an annual basis with mandatory attendance required.

Assessment of Forced Labour and Child Labour Risks

Terra Nova Motors procures the vast majority of its goods from General Motors of Canada Company (GM). GM have publicly reported and posted on their website their extensive commitment and efforts to support governments, civil society organizations, companies, and consumers to eradicate forced labour and child labour. Their report details their policies and initiatives directed toward these goals and outcomes for both their global supply chain and local supply chain. Of particular importance is GM's *2021 Corporate Human Rights Benchmark (CHRB) Disclosure*.

General Motors has initiated a *Global Ethics and Compliance Center* that helps prevent, detect and correct violations of law and corporate policies and helps promote the ethical business culture for GM and its affiliates and subsidiaries. In 2023, and for the fourth year in a row, General Motors was the only original equipment manufacturer automaker recognized as one of the World's Most Ethical Companies by Ethisphere, a global leader in defining and advancing the standards of ethical business practices.

As noted, the majority of Terra Nova Motors supply chain is based on the supply chain of General Motors, and we have relied on the assessment undertaken by General Motors with regard to the extent of this risk. For the year 2023, Terra Nova Motors has not independently engaged in its own risk assessment with regards to forced labour or child labour in its supply chain, apart from the company policies and initiatives as listed above.

We have engaged our Occupational Health and Safety consultant to craft policy and procedure documentation that will provide direction for Terra Nova team members to conduct effective initiatives to identify potential supply chain risks for forced and child labour. This new policy and procedures will be received and actioned during 2024.

Remediation Measures

Terra Nova Motors has not identified any instances of forced labour or child labour in its supply chain, and so no remediation measures have been taken.

General Motors provide a detailed statement of their initiatives and results from their grievance mechanism, *Awareline*, contained within their reporting on *Fighting Against Forced Labour and Child labour in Supply Chain Act*.

Remediation of Loss of Income

Terra Nova Motors has not identified any instances where the measures it has implemented to eliminate forced labour and 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

Terra Nova Motors conducts annual training with all management and employees in the areas of Code of Conduct, Occupational Health and Safety, Harassment, and Violence Prevention that aligns with Human Rights protections for both employees and customers. Its annual training incorporates current topics and relevancy.

Assessing Effectiveness

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

Approval and Attestation

Terra Nova Motors Limited Board of Directors have approved this report. 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 purpose of the Act, for the reporting year listed above.

Full Name: Alexia Russell Feltham

Title: Dealer Principal

Date: May 30th, 2024

I have the authority to bind Terra Nova Motors Limited