

# **FIGHTING AGAINST FORCED LABOUR AND CHILD LABOUR IN SUPPLY CHAINS ACT**

## **1. INTRODUCTION AND APPLICATION**

This report (the “**Report**”) is prepared by Young’s Equipment Inc. (“**Young’s Equipment**” or “**Young’s**”) pursuant to Section 11 of the Canadian *Fighting Against Forced Labour and Child Labour in Supply Chains Act* (the “**Act**”) with respect to the period from February 1<sup>st</sup>, 2023 to January 31<sup>st</sup>, 2024 (the “**Reporting Year**”). Young’s Equipment is firm in its respect for human rights. In assessing its business activities’ and supply chains’ potential for child and/or forced labour, Young’s has adopted a risk-based approach to identifying, assessing, preventing, mitigating, and, where necessary, remediating potential instances of child or forced labour. While the nature of Young’s Equipment’s relationships and agreements with Tier 1 suppliers provides it with very limited ability to influence the practices, policies, and procedures of these Tier 1 suppliers, and no visibility to Tier 2 suppliers, Young’s’ commitment to continuous improvement ensures that it will continue to seek confirmation and assurances that suppliers do not cause or contribute to child and/or forced labour.

## **2. STEPS TAKEN TO PREVENT AND REDUCE THE RISKS THAT FORCED LABOUR OR CHILD LABOUR IS USED**

During the Reporting Year, Young’s Equipment began reaching out to its four largest manufacturer partners and suppliers, to better understand how they monitor and protect their supply chains from forced and/or child labour. This process continued beyond the end of the Reporting Year, and most of the information was received following the Reporting Year. These suppliers accounted for nearly all of Young’s’ purchases of goods used in equipment sold by Young’s during the last fiscal year. Those suppliers are subject to the United Kingdom’s *Modern Slavery Act 2015*, Australia’s *Modern Slavery Act 2018*, and/or Canada’s *Fighting Against Forced Labour and Child Labour in Supply Chains Act*. These pieces of legislation require the suppliers to post online statements and reports outlining the activities they undertake in order to protect their supply chains from forced and child labour. Having reviewed these statements, along with other documentation provided in response to the inquiry, Young’s noted strong prevention mechanisms described therein.

The majority of other service providers used by Young’s Equipment are small, locally owned businesses, operating under applicable employment legislation in place in Canada and Saskatchewan, and no steps have been undertaken to evaluate their businesses for the risk of child or forced labour, based on the assumption that applicable employment legislation is already in place to hold them accountable to these standards.

## **3. STRUCTURE, ACTIVITIES AND SUPPLY CHAINS**

Young’s Equipment Inc. is a corporation formed under the laws of the Province of Saskatchewan and is engaged in the business of selling and servicing agricultural equipment and related repair parts throughout the Province of Saskatchewan. Young’s Equipment sells agricultural goods almost exclusively within the Province of Saskatchewan, as well as periodically selling a small amount of goods (<1%) into the provinces of Alberta and Manitoba, and into the United States. The majority of goods sold by Young’s Equipment is imported to Canada, with the balance being manufactured within Canada. Young’s Equipment has no subsidiaries, and its voting shares are owned by individuals.

#### **4. POLICIES, GOVERNANCE AND DUE DILIGENCE PROCESSES**

Young's Equipment has not, during the 2024 fiscal year, implemented any specific policies, procedures, governance, or due diligence processes in relation to the use of forced or child labour, other than the steps outlined above. Since the end of the fiscal year/reporting period, a review of policies and procedures has been undertaken to ensure appropriate policies and processes, reflective of Young's' commitment to preventing child and forced labour, are in place. As of the date of this Report the review is not complete and, accordingly, Young's Equipment has not yet determined what, if any, changes to its policies, procedures, governance or due diligence processes may be made once that review is completed.

Within Young's Equipment's business, subject to the comments below, the age of all employees is verified by obtaining a copy of government-issued identification, which enables Young's to ensure all employees are of legal age. Young's Equipment is a strong supporter of enhanced educational opportunities, which provide individuals the opportunity to learn more about the agricultural industry and gain valuable work experience. Where Young's participates in government- and/or school board-designed job placement programs (specifically provincial high school work placement programs and the Saskatchewan Apprenticeship and Trade Certification Commission's pre-employment program), Young's Equipment has relied upon the relevant school and/or institution's processes for ensuring participants are of legal working age.

#### **5. PARTS OF ENTITY'S BUSINESS AND SUPPLY CHAINS THAT CARRY A RISK OF FORCED LABOUR AND CHILD LABOUR AND STEPS TAKEN TO ASSESS AND MANAGE THE RISK THAT FORCED LABOUR OR CHILD LABOUR IS BEING USED IN ENTITY'S OPERATIONS AND SUPPLY CHAIN**

During the Reporting Year, and continuing following the Reporting Year, Young's Equipment prioritized the assessment and management of the risk of forced or child labour being used for those areas where Young's has the greatest level of influence or control (internal business practices) as well as those areas that represent the largest portions of Young's' business (its four largest suppliers). In line with Young's Equipment's commitment to continuous improvement, the expansion of this process to the remaining areas of Young's' business is ongoing.

Within Young's Equipment's internal business practices, as commented on above, the process for reviewing employees' age was reviewed, and assessed to ensure that it is being completed. Additionally, a holistic review of Young's Equipment's policies, procedures, governance, and due diligence processes was initiated and is ongoing.

For Young's Equipment's four largest manufacturers/suppliers, inquiries to obtain, followed by a review of their policies relating to child and forced labour, including any reporting required or published relating to Canada's *Fighting Against Forced Labour and Child Labour in Supply Chains Act*, the United Kingdom's *Modern Slavery Act 2015*, and Australia's *Modern Slavery Act 2018*. As commented upon above, this review noted both strong commitments and strong prevention mechanisms relating to child and forced labour. Based solely on the review of the policies and publicly available reports of those four suppliers, Young's did not identify any instances of child labour or forced labour within the business or supply chains of those four suppliers, nor have reason to believe any such instances currently exist.

As noted previously, the majority of service providers used by Young's Equipment are based in Saskatchewan and subject to the same requirements as Young's Equipment. Additionally, they represent a very small portion of Young's Equipment's business. Accordingly, the level of risk was deemed to be low, and further steps to assess and manage risk were delayed beyond the

end of the Reporting Year, in favour of work done to assess and manage Young's' internal business practices and its four largest suppliers.

## **6. REMEDIATION MEASURES**

Young's Equipment has not identified any forced or child labour in their business activities, nor in their supply chains, and no measures have been taken to remediate any forced or child labour, including any measures which would involve the potential loss of income to vulnerable individuals or families where that loss resulted from measures taken to eliminate the use of forced labour or child labour.

## **7. TRAINING**

Young's Equipment does not currently provide training to its employees on forced and/or child labour.

## **8. ASSESSING EFFECTIVENESS**

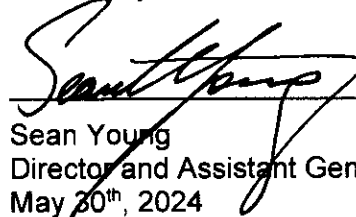
Young's Equipment does not currently have policies or processes in place to assess effectiveness in ensuring forced and/or child labour are not being used in the business' activities and supply chains.

## **9. APPROVAL AND ATTESTATION**

This report for the fiscal year ended January 31<sup>st</sup>, 2024 was approved, pursuant to subparagraph 11(4)(a) of the Act, by Board of Directors of Young's Equipment Inc.

In accordance with the requirements of the Act, and in particular section 11 thereof, I, the undersigned, hereby attest that I have reviewed the information contained in this Report for the entity 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. I am providing this attestation in my capacity as a director of Young's Equipment Inc., and not in my personal capacity.

Dated May 30<sup>th</sup>, 2024



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Sean Young  
Director and Assistant General Manager, Owner  
May 30<sup>th</sup>, 2024  
I have the authority to bind Young's Equipment Inc.