



## MODERN SLAVERY REPORT 2023

Huron Tractor Ltd.

This Modern Slavery Report (the “Report”) addresses the period from December 31<sup>st</sup>, 2022 to December 30<sup>th</sup>, 2023 and has been prepared in compliance with the *Fighting Against Forced Labour and Child Labour in Supply Chains Act* (Canada) (the “Act”).

This Joint Report is made on behalf of SB 2010 Holdings Corp. (the “Parent”, “SB 2010 Holdings Corp.”, or “SB 2010”) and its subsidiary Huron Tractor Ltd. (“Huron Tractor Ltd.”, “Huron Tractor”, and together with the Parent, “Corporation”, “we”, “us” or “our”). SB 2010 Holdings Corp., as a holding company, substantially relies upon the efforts of Huron Tractor Ltd., as the operating business, for the purposes of managing and monitoring its supply chains operations and compliance programs.

A copy of this report may be requested by emailing [FCLAfeedback@hurontractor.com](mailto:FCLAfeedback@hurontractor.com).

## **I. 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, Huron Tractor Ltd. and its parent SB 2010 Holdings Corp. recognize the important role 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 Fiscal 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 the corporation, or of goods imported into Canada by the corporation.

## **II. OUR BUSINESS**

Huron Tractor Ltd. is an equipment dealer headquartered in Ontario, Canada and is majority held by SB 2010 Holdings Corp. SB 2010 Holdings Corp. and Huron Tractor Ltd. are both corporations incorporated under the Business Corporations Act (Ontario). Huron Tractor Ltd. distributes agricultural, commercial compact worksite, and residential equipment including products such as tractors, planting and seeding equipment, and harvesting equipment. We also supply parts, attachments, and services to support those products. We operate eleven physical locations in Ontario, Canada with some products also available online through our website: [www.hurontractor.com](http://www.hurontractor.com). Our customers are largely the end-users of our products, consisting mainly of agricultural businesses and consumers located in Canada. We occasionally supply agricultural equipment and associated products to other equipment distributors.

Huron Tractor Ltd employs over 350 employees across the eleven branch locations in Ontario. Huron Tractor Ltd.'s physical store locations are in or near Exeter, Blyth, Thamesford, St. Thomas, Arva, Mitchell, Walkerton, Chatsworth, Chatham, Comber and Stayner. A hybrid organizational structure is used to best manage human capital. Employees within each store report to their respective department managers and those department managers report to both store managers and / or corporate managers. The majority of store locations have a dedicated store manager that is responsible for the operations at each respective location. Each store is staffed with personnel that support all aspects of the business – equipment sales, parts, and service. Store managers report to the corporate managers.

Huron Tractor Ltd.'s supply chain includes businesses that supply agricultural parts and equipment, and supply services to our organization. We receive goods from our suppliers as finished complete goods and parts. The goods received are in saleable condition and ready for the end-user. Complete goods may require predelivery to customer specifications to ensure the equipment is field ready. Most of our direct suppliers are North American-based agricultural equipment manufacturers and distributors, who are based in Canada and the United States. Our supply chain, may indirectly, also include businesses that are based in other parts of the world.

In total, we procure goods and services from approximately 1,100 suppliers and contractors. Because Huron Tractor Ltd. is a dealer for one of the main suppliers of agricultural equipment in the world, most of its purchases, based upon dollar value, unit volume, and products carried, are procured from this single Tier 1 supplier. Further information about our business can be found on our website.

### III. OUR POLICIES

#### **Policies**

Through our various corporate policies, we communicate our values and expectations, setting a high bar for ourselves and for our suppliers, and make it clear that Huron Tractor Ltd. operates its business to the highest standard of conduct. We are committed to consistently evolving and improving our approach. We do not tolerate child, forced or bonded labour in any of our operations, or in the operations of our suppliers, subcontractors, and other business partners. We strive to make every effort to prevent our activities having a negative impact on human rights. Huron Tractor understands that respecting human rights is a shared responsibility for our company. Our business model has been built on a respectful and inclusive corporate culture that earns trust from, and builds value for, our customers, employees, and suppliers.

Our relevant policies are discussed in further detail below:

#### **About Huron Tractor**

Our “About Huron Tractor” policy highlights our values of commitment, teamwork, continuous improvement, trust, and respect. These values are top of mind as we execute our Mission of providing a rewarding workplace for our employees, being a responsible and supportive member of the community, while maintaining strong and rewarding relationships with our suppliers. We are committed to conducting our business in a lawful and ethical manner. The “About Huron Tractor” policy is the foundation of our company policies and sets out guiding principles on professional conduct and establishes that in performing their job duties, Huron Tractor Ltd. employees should always act lawfully, ethically and in the best interests of Huron Tractor Ltd.

#### **Human Rights**

The Human Rights policy was created in accordance with Ontario Human Rights Code. Huron Tractor Ltd. does not condone or tolerate acts of discrimination or harassment in the workplace against or by an employee. It is expected that this policy will be broadened in 2024 to address risks to human rights within our supply chain and third-party relationships.

#### **Code of Conduct**

Huron Tractor Ltd.’s Code of Conduct was updated in 2023 to protect our employees, suppliers, customers, the public and the company from any illegal or damaging actions committed by individuals, either knowingly or unknowingly. Huron Tractor Ltd. does not tolerate any wrongdoing or impropriety and addresses such by taking the appropriate disciplinary and/or corrective actions. In 2024, we plan to expand this policy to include a Supplier Code of Conduct which will specifically address forced labour and child labour. This Supplier Code of Conduct, in draft form in 2023, sets out the expectations we have of our suppliers, their supply chains, and those with whom we do business. This Supplier Code of Conduct will be incorporated into the Code of Conduct. It is Huron Tractor’s expectation that our suppliers will comply with all applicable legal requirements in the

jurisdictions that they operate. This policy will be made formal and shared with suppliers and establish the expectation that suppliers will engage in due diligence to identify, address, and resolve risks in their own operations, particularly with respect to forced labour and child labour.

### **Conflict of Interest**

The Conflict of Interest policy was updated in 2023 and promotes a risk-aware culture of doing what is right. It sets the benchmark that employees are expected to make decisions free from the influence of personal or family relations and financial interests to ensure business is conducted in a professional and ethical manner. This policy is going to be expanded upon to include potential conflicts of interest with suppliers and other outside third parties.

### **Whistleblower Policy**

Our Whistleblower policy is titled “Employee Protection”. It reinforces the high standards that Huron Tractor Ltd. expects of its management and employees. It outlines a policy that allows an employee to file a written complaint with the executive team about any policy, practice, or activity that they feel may be a violation of the law or Huron Tractor’s Code of Conduct.

### **Due Diligence**

Huron Tractor Ltd. expects third parties, with which we work, to adhere to business principles and values similar to our own and to comply with all applicable laws and regulations. As part of being socially responsible, Huron Tractor Ltd. will take steps to evaluate of third-party relationships and mitigate any associated risks by carrying out risk-based due diligence.

We acknowledge that employees working in our supply chain are at potential risk of forced labour or child labour. To help mitigate this risk, we utilize a due diligence approach, which will continue to evolve, that includes the following steps:

- embedding responsible business conduct (RBC) into policies and management systems.
- reviewing and updating existing company policies on labour conditions, human rights, and forced and child labour.
- communicate key corporate policies to all employees by making internally available and require all new employees sign off as part of the onboarding process.
- evaluate the risk of forced labour and child labour violations as part of the purchasing process, including developing a Supplier Code of Conduct; and
- gather information about Huron Tractor Ltd.’s supply chain by focusing broadly on all areas of the business where forced labour and/or child labour are most likely present and most significant.

## **IV. ASSESSING OUR RISK**

Huron Tractor Ltd. engages in various activities to identify, assess, and manage supplier risk. In assessing the risk of forced and child labour in our business and supply chains, supply chain analysis and mapping was started using internal resources and preliminary risk assessments worked on.

To identify the business activities with the greatest exposure to these risks, we consider the following factors:

- Reliance on low skilled workforce.
- Dangerous or undesirable work.
- Presence of migrant workers.
- Presence of labour intermediaries.
- Offshore production.
- Long, complex, or non-transparent supply chains.
- Presence of child labour; and
- Jurisdictional risks including poverty, conflict, and enforcement of international human rights standards.

Our exposure to the risk of forced labour and/or child labour increases when we engage with third parties, particularly in categories such as transportation, warehousing, construction, manufacturing, packaging, raw material sourcing, and agriculture in particular. We recognize that our exposure of forced labour and/or child labour increases when we engage with suppliers who source goods or raw materials from countries where forced labour exploitation is known to occur. As such, we follow a risk-based approach to our due diligence activities. Our due diligence is prioritized to the most significant adverse impacts on the basis of severity and likelihood of harm and focus our attention and resources.

## V. OUR COMMITMENTS

### **Steps to Prevent and Reduce Risks of Forced and Child Labour**

- Mapping Huron Tractor's operating and purchasing activities.
- Mapping supply chains.
- Conducting an internal assessment of risks of forced labour and/or child labour in the organization's activities and supply chains.
- Develop an action plan for addressing forced labour and/or child labour.
- Gathering information on worker recruitment and maintaining internal controls to ensure that all workers are recruited voluntarily.
- Addressing practices in the organization's activities and supply chains that increase the risk of forced labour and/or child labour.
- Developing and implementing due diligence policies and processes for identifying, addressing, and prohibiting the use of forced labour and/or child labour in the organization's activities and supply chains.
- Developing anti-forced labour and/or child labour standards, codes of conduct and/or compliance checklists.
- Developing and implementing grievance mechanisms; and
- Engaging with supply chain partners on the issue of addressing forced labour and/or child labour.

### **Remediation Measures**

Our Supplier Code of Conduct will require our suppliers to adhere to high standards of ethical conduct. Forced and child labour is strictly prohibited.

To date there have been no identified or reported instances of forced and/or child labour that we are aware of.

### **Training**

Huron Tractor Ltd. did not provide any specific training for its employees, specifically those involved in the purchasing process during 2023 with regards to forced and child labour. Training is being drafted for implementation as part of additional steps taken in education surrounding forced and child labour. Employees do have access to all corporate policies, including the ones mentioned previously in this report, which enhance their knowledge surrounding corporate guidelines for human rights and business conduct. Every new employee of Huron Tractor Ltd. must complete mandatory training on our values and policies, including our Code of Business Conduct and Ethics, and is informed of how to report wrongdoing under our Whistleblower Policy. We provide employees with ongoing and periodic training opportunities to ensure that all employees have current knowledge. Forced labour and child labour will be incorporated into employee training in 2024.

## **VI. OUR PROGRESS AND EFFECTIVENESS**

As part of our governance processes, policies will be enhanced to incorporate processes to help monitor compliance on an ongoing basis and will be revised as required. We also review any concerns raised through our Whistleblower Policy and other informal mechanisms of employee feedback. To date no significant concerns or complaints have been identified.

During 2023, Huron Tractor Ltd did not take any actions to assess effectiveness in preventing and reducing the risks of forced labour and child labour in our activities or supply chains.

## **VII. APPROVAL AND SIGNATURE**

This Report was approved by SB 2010 Holdings Corp. and Huron Tractor Ltd.'s Board of Directors on May 27<sup>th</sup>, 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.hurontractor.com](http://www.hurontractor.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 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.

***“Cam Barton”***

---

**Cam Barton**

**Director,**

Huron Tractor Ltd.

I have the authority to bind Huron Tractor Ltd.

***“Brad Sheeler”***

---

**Brad Sheeler**

**Director,**

SB 2010 Holdings Corp.

I have the authority to bind SB 2010 Holdings Corp.