



FORCED LABOUR & CHILD LABOUR REPORT

LE GROUPE AGRITEX INC.

1 176 194 729

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Introduction

AGRITEX, a consortium of 12 John Deere dealerships across Quebec, provides this report on the measures taken during the 2023 fiscal year (from February 1, 2023, to January 31, 2024) to comply with the requirements of the Law on Combating Forced Labour and Child Labour in Supply Chains (C-211) to which the company is subject.

In accordance with our values of integrity, quality, humanity, and commitment, our company is committed to ensuring that its business practices, human resources, procedures, personnel selection, and business partners adhere to principles of good faith to prevent and eliminate any risk of forced labour and human trafficking in its supply chain.

Structure and Activities

The Agritex Group Inc. is a Canadian company with a commercial presence only in Quebec. We offer agricultural, residential, and commercial equipment sales, as well as parts sales, maintenance, and repairs. We employ 322 people across four (4) main departments: sales, service, parts, and administration.

Our Supply Chain

Our supply chain primarily includes North American manufacturers and distributors based in Canada and the United States, specialising in agricultural machinery and repair parts for the same equipment. As an authorised dealer for one of the world's leading agricultural equipment suppliers, most of our purchases, both in monetary value and unit volume, are made from this supplier.

Our supply chain is mapped out and predominantly located in North America. Our main supplier, John Deere, adheres to a strict code of ethics and conducts. The supply chain consists of 1,432 suppliers, including 61 in the United States, 1,368 in Canada, 2 in France, and 1 in Austria.

Risk Assessment and Identification

We have conducted a risk assessment of our supply chain to identify industries, products, and countries considered at risk for forced labour and child labour practices. We consulted published indices such as the Global Slavery Index and the Corruption Perceptions Index for this exercise. At the national level, Canada and the United States present a low inherent risk of forced labour, modern slavery, and child labour.

Our exposure to the risks of forced labour and child labour may increase when collaborating with suppliers who source goods or raw materials from countries known for exploiting forced labour.



Therefore, we will adopt a risk-based approach to our suppliers' activities based on country and industry domain.

Key Measures in 2023

During the 2023 fiscal year, we gained a better understanding of the risks associated with forced labour and child labour and how these risks could impact our operations. We have begun mapping our supply chain to identify risks and will evaluate suppliers based on their commitment to addressing these issues. Regular audits will be conducted to verify supplier compliance.

Furthermore, we remain committed to maintaining high standards of integrity and accountability in our business conduct, while also growing our company and its values. We have developed a Policy for Combating Modern Slavery, which applies to all internal members as well as external stakeholders within the organization.

We will work closely with our suppliers to ensure they adhere to our ethical standards and encourage them to adopt similar policies. We will raise their awareness of the Supplier Code of Conduct, which outlines the expected level of behavior within our professional relationship.

We will also raise awareness among our employees, suppliers, and partners about the risks associated with forced labour and child labour. Additionally, we will reinforce the Agritex Code of Conduct, which reflects our values and commitment to social responsibility.

Our Policies and Risk Mitigation Measures

Given that most of our supply chains operate in a low-risk environment, we rely on our shared values, including:

- Policy on Combating Modern Slavery
- Agritex Code of Conduct
- Suppliers Code of Conduct

We collaborate with our employees, suppliers, and all stakeholders to mitigate risks related to these issues.



Effectiveness Monitoring

We remain committed to developing and continuously improving our procedures and programs as we learn more about the risks within our supply chains and ways to mitigate them.

To assess the effectiveness of measures aimed at ensuring our activities and supply chains are free from forced labour and child labour, we commit to:

- Regularly monitoring and evaluating compliance with the law.
- Conducting an internal assessment of suppliers' relationships, mitigating associated risks through risk-based studies.
- Gathering information on the supply chains, focusing on areas most at risk for forced labour and child labour.
- Regularly reviewing and updating our policies and codes of conduct to ensure they remain current and aligned with our objectives.
- Making key company policies accessible to all employees through our intranet.

All members of the Agritex Group, including executives, employees, and suppliers, are responsible for adhering to this commitment. Together, we strive to create an ethical and respectful work environment.

We rely on feedback and engagement from all stakeholders to facilitate the ongoing pursuit of our objectives and continuous improvement across all aspects of our business.



ATTESTATION

This report was approved by the board of directors on May 30, 2024. In accordance with the requirements of the Law, particularly Article 11, I attest that I have reviewed the information contained in the report for the entity or entities listed above. To the best of my knowledge and after exercising due diligence, I confirm that the information in the report is true, accurate, and complete in all material respects for the purposes of complying with the Law for the reporting year.

I have the authority to bind Agritex Group Inc.

(signed) *Patrick Allard*

May 30, 2024

Patrick Allard

Date

CEO

Le Groupe Agritex Inc.