

**LEAVENS AUTOMOTIVE GROUP
MODERN SLAVERY REPORT
FINANCIAL YEAR: JAN – DEC, 2023.**

This joint report is made and submitted by Leavens Automotive Holdings ("Company") pursuant to Section 11 of Canada's Fighting Against Forced Labour and Child Labour in Supply Chains Act (the "Act") which has been approved by the governing body of Leavens Automotive Holdings.

This Joint Modern Slavery Statement sets out the actions taken by:

- Leavens Volkswagen Inc
- 2457751 Ontario Inc (Volkswagen Chatham)
- 2790945 Ontario Ltd (Leavens Mazda)
- 2803141 Ontario Ltd (Leavens Chrysler Dodge Jeep Ram)
- 2675921 Ontario Ltd (Leavens Volvo Cars London)
- 2790939 Ontario Ltd (Subaru Windsor)

STRUCTURE, ACTIVITIES AND SUPPLY CHAIN

Structure & Activities

The Leavens Automotive Group operates 6 franchised operations representing 5 different OEMs across Southwestern Ontario. These operations are automotive dealerships that retail both new and used vehicles, providing a full range of sales and support including aftermarket products, parts and accessories, service, and financing and insurance to retail and wholesale customers.

The Original Equipment Manufacturers (OEMs) represented by our dealerships include:

- Volkswagen
- Mazda
- Stellantis (Chrysler Dodge Jeep Ram)
- Subaru
- Volvo

All of our operations have each entered into a *Dealer Sales and Service Agreement* with each of the OEMs.

Supply Chain

The most significant aspect of our supply chain is the purchase of new vehicles from our OEMs. We finance these purchases through the use of floorplan arrangements with finance companies. These are short term loan arrangements used to purchase items of inventory which are repaid when the inventory is sold.

Other supply chain generally includes:

- Vehicles
 - o Vehicle and part manufacturers
- Consumables
 - o Oils, fuels, lubricants
- Services
 - o Insurance, Professional services, transport services
- Office and property maintenances
 - o Cleaning, storage and waste disposal, equipment rental, IT hardware and software, telecommunication, food and beverage supplies, office supplies

POLICIES AND PROCEDURES

The Leavens Automotive Group understands the importance of protecting human rights and is committed to protecting the rights of all people, and is further supportive of Canada's international commitment to contribute to the fight against forced labour and child labour with the objective of eradicating modern slavery. To this end, the company has established key policies and procedures to assist in protecting human rights, and to encourage conducting business in an open and ethical way. These policies and procedures include the following:

1. Employee Standards of Conduct Policy
2. Workplace Health and Safety Policies and Procedures
3. Workplace Violence and Harassment Policy

As our operations rely heavily upon those of our OEMs, we will spend the time to review the modern slavery statements published by the OEMs as they are made available.

FORCED LABOUR AND CHILD LABOUR RISKS IN THE OPERATIONS AND SUPPLY CHAIN

Given the fact that our operations, and the operations of our owned or controlled entities, are all based in Canada, our geographic risk remains low according to the Global Slavery Index. However, the 2023 Global Slavery Index estimates that on any given day in 2021, there were 68,000 individuals living in modern slavery in Canada. This equates to a prevalence of 1.8 people in modern slavery for every thousand people in the country. In this context, we recognize that Canada is not immune to modern slavery.

Having regard to our ongoing compliance with the legal framework regulating employment practices in Canada and our policies and controls in place, the risk that we have caused or contributed to modern slavery in our operations remains low.

Our most significant risks remain in our supply chain and in the supply chains of our owned or controlled entities which include a broad range of direct suppliers from various locations and industries. For our operations, the risks generally stem from the later tiers of our supply chain, over which we have limited visibility or control.

REMEDIATION MEASURES

The Leavens Automotive Group is not aware of any confirmed or suspected instances of forced labour or child labour within our supply chain. If any instances of child labour or forced labour are identified, we would address them on a case-by-case basis using the tools currently available to us, including without limitation the termination of contracts, reporting of illegal activity to law enforcement agencies, and excluding the offending Suppliers from future opportunities to conduct business with the Leavens Automotive Group if they cannot provide sufficient evidence that forced labour and child labour have been eliminated from their supply chain or business practices.

TRAINING PROVIDED TO EMPLOYEES

Our employees are regularly required to review/sign off on our company policies including the following:

1. Employee Standards of Conduct Policy
2. Workplace Health and Safety Policies and Procedures
3. Workplace Violence and Harassment Policy

The policies are presented and reviewed at the time of onboarding and again periodically during their employment. Engagement/monitoring is tracked through our Human Resource Information System (HRIS)

ASSESSING THE EFFECTIVENESS OF OUR ACTIONS

The Leavens Automotive Group will assess the effectiveness of its actions in comparison to industry standards and practices by conducting an annual executive review of our response to modern slavery

This Report has been approved by the Governing Body of Leavens Automotive Holdings and the Leavens Automotive Group. 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 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.

Chris Leavens

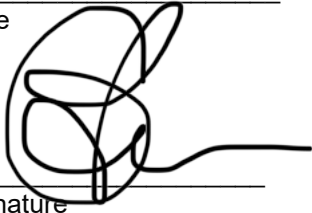
Full Name

President

Title

May 31, 2024

Date



Signature

I have the authority to bind the corporation