

May 2024

Supply Chains Act Report

This report has been prepared as required under the Fighting Against Forced Labour and Child Labour in Supply Chains Act

1. Introduction

This report is made on behalf of Jacobson Ford Sales Ltd and describes the actions taken by the Company during the financial year ending December 31, 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 in Supply Chains Act* ("Act"). This Report constitutes the first report prepared by the Company under the Act.

2. Structure, Activities and Supply Chains

Jacobson Ford Sales Ltd is a Ford Motor Company franchised automobile dealership based in Salmon Arm, BC, Canada. Established in 1967 Jacobson Ford is a family owned and operated local business currently employing 93 full and part time local employees. BC Employment Standards are followed for payment, compensation and working conditions in the workplace as well as a robust Occupation Health & Safety committee supported by Work Safe BC.

The Company specializes in the retail sale of new and used motor vehicles, provisional options for vehicle purchase finance, insurance and extended warranty coverage, parts and accessories as well as comprehensive vehicle servicing and repairs in Salmon Arm, BC and Revelstoke, BC.

As a dealer of new and used vehicles and their parts, our supply chain is primarily based on the supply chain of automotive manufacturers. Specifically, as an authorized Ford Motor Company dealer, the majority of the Company's procurement spend is with Ford Motor Company OEM (original equipment manufacturer).

We also purchase goods and services from other third-party suppliers. Such services include local autobody repair, vehicle related consumables such as fuel, oil and lubricants.

3. Policies and Due Diligence Processes

Jacobson Ford Sales is committed to following BC Employment Standards and the Canadian Charter of Rights and Freedoms for our employees. The company prioritizes supporting local businesses as well as sourcing parts, supplies and services from Canadian vendors, providers and companies. Internally, the Ford Motor Company Transparency Statement is reviewed and referenced by employees for the franchised vehicles and OEM parts received from them.

4. Assessment of Forced Labour and Child Labour Risks

As the majority of Jacobson Ford Sales' supply chain is based on the supply chain of Ford Motor Company, it relies on the assessment undertaken by them with regards to the extent of this risk. The Ford Motor Company Global Modern Slavery and Human Trafficking Transparency Statement for the Financial Year Ending on December 31, 2023 supports this mitigation of risk.

5. Remediation Measures

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

6. Remediation of Loss of Income

Jacobson Ford Sales has not identified any instances where the measures implemented to eliminate forced labour or 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. Should it come to the dealerships attention of any forced or child labour in our supply chain that is directly linked to our business activities, and if the necessary elimination of this labour could potentially result in financial hardship for less privileged families, the dealership is would take responsible action, including collaboration with the affected individuals, if applicable.

7. Training

Jacobson Ford Sales encourages the provided training for any staff member who does supplier purchasing through the company HR platform called Dealer Pilot. The online course Forced Labour and Child Labour in the Supply Chains is recorded after completion to the HR history of any employee who purchases goods for Jacobson Ford Sales.

8. Assessing Effectiveness

While Jacobson Ford Sales currently does not employ formal metrics in order to assess its effectiveness in ensuring that forced labour and child labour is not being used in its business and supply chains, the dealership does actively consider business ethics, including the practices of its suppliers. Jacobson Ford Sales continues to examine various policies, processes and technical deliverables needed to address business risk. To date, no instances of forced labour or child labour have been identified in our supply chain.

9. Approval and Attestation

This report has been approved by the directors of Jacobson Ford Sales Ltd in accordance with section 11(4)(a) of the Act.

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 purposes of the Act, for the reporting year listed above.

Full name: Michael Vandermeer

Title: Dealer Principal

Date: May 30, 2024

Signature:

I have the authority to bind Jacobson Ford Sales Ltd