

Report for financial year ending March 31, 2024

This report is made pursuant to the *Fighting Against Forced Labour and Child Labour in Supply Chains Act* S.C. 2023, c. 9 (the “Act”).

This report is prepared jointly by the following entities:

MCDF Holdings Inc. (840268171)

TDF Group Inc. (839996600)

The Driving Force Inc. (102214632)

Eledone Management Inc. (781271937)

(Hereinafter referred to as TDF Group or “we”).

This report sets out the information required by the Act.

Our Organization, Activities and Supply Chain

We operate in the vehicle industry in Canada. We are headquartered in Alberta, Canada.

MCDF Holdings Inc., an Alberta corporation, controls TDF Group Inc., an Alberta corporation, which controls both The Driving Force Inc. and Eledone Management Inc., Alberta corporations. TDF Group Inc. has other affiliates and subsidiaries that are not captured by the reporting requirements.

The main operating entity of TDF Group in Canada is The Driving Force Inc. The Driving Force Inc.’s main business concern is renting commercial vehicles and leasing and selling used vehicles through various retail channels, as well as re-marketing used vehicles through non-retail disposition channels such as auctions, brokered sales, sales to wholesalers and sales to dealerships in Canada and the United States.

Eledone Management Inc. operates three OEM HINO branded commercial truck dealerships.

Canadian operations include Alberta, British Columbia, Saskatchewan, Manitoba, Ontario, Northwest Territories, Yukon, and Nunavut.

Our supply chain primarily consists of purchasing new commercially focused vehicles from large vehicle manufacturers who import the vehicles into Canada, if such vehicles are not already located in Canada. We then support these vehicles during their economic life by utilizing vendors in, mainly, Canada, who are operating in various ancillary vehicle support functions, including vehicle customization, repair & maintenance, fuel, detailing, logistics, insurance, financing and other fleet management services.

Steps Taken to Prevent and Reduce the Risk that Forced Labour or Child Labour is Used at any Step of the Production of Goods in Canada or elsewhere by TDF Group or of Goods Imported into Canada by TDF Group

Production of Goods: *We do not manufacture, in Canada or elsewhere, raw products into commercial goods for re-sale in Canada or elsewhere. In many instances, we will work with vendors to take new or used vehicles and customize them for specific customer purposes. We do not produce goods in Canada or elsewhere.*

Importation of Goods: *Pursuant to the reporting guidance published by the Government of Canada, "Importing" means the entity is responsible for accounting for those goods under the Customs Act, RSC 1985, c 1 (2nd Supp), and purchasing goods produced outside Canada from a third party, where that third party is considered to be the importer for the purposes of the Customs Act, does not count as importing goods. TDF Group purchases goods from third parties, and the third parties are importing goods into Canada. Such goods include new commercially focused vehicles from large vehicle manufacturers.*

TDF Group has completed risk assessments and concluded that the risk of forced labour and/or child labour are low. However, in the management of the business the following steps have been undertaken in the previous financial year:

- a. Considered risks of forced labour and/or child labour in the organization's activities and supply chain;*
- b. Hiring employees is consolidated amongst TDF Group with a centralized human resources team who oversee that hiring processes are conducted in accordance with internal policies.*
- c. Supply chain is mostly consolidated with a centralized supply chain team. The supply chain team is in regular discussion with many vendors, discussing a broad range of supply chain risks. If significant risks are identified, these are reported on.*

Our Policies and Procedures

We do not currently have specific policies and due diligence processes in place related to forced labour and/or child labour. However, all compliance, together with policy and procedure at TDF Group is guided by our core values of integrity, respect, commitment, and passion.

Risk of Forced Labour or Child Labour in Business and Supply Chains

We have identified parts of our activities and supply chains that carry a risk of forced labour and child labour being used.

The parts of our business and supply chains that carry a risk of forced labour or child labour are related to certain components used in vehicles and their replacement parts. We consider that risk to be low and rely on the business practices of the large and sophisticated entities we deal with (namely auto and part manufacturers).

We have assessed and managed this risk by using large, multi-national manufacturers and distributors in well known industries that have their own codes of business conduct and ethics, and other policies and procedures, to address such risks.

Any Measures Taken to Remediate Any Forced Labour or Child Labour

Not applicable, as no instances of forced labour or child labour have been identified, therefore no remediation efforts have taken place.

Any Measures taken to Remediate the Loss of Income to Vulnerable Families

Not applicable, we have not identified any loss of income to vulnerable families resulting from measures taken to eliminate the use of forced labour or child labour in our activities and supply chains.

Training provided on Forced Labour and Child Labour

Given the risks identified, there is no specific training on forced labour and/or child labour.

Assessment of Effectiveness

Given the limited risks identified, the Company's core operating activities and the reliance on large auto manufacturers, no specific policies and procedures have been implemented to assess effectiveness.

In accordance with the requirements of the *Act*, and in particular section 11 thereof, we attest that we have reviewed the information contained in the report for the entity or entities listed above. Based on our knowledge, and having exercised reasonable diligence, we 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.

The Driving Force Inc., TDF Group Inc.,
MCDF Holdings Inc. and Eledone
Management Inc.

The Driving Force Inc., TDF Group Inc.,
MCDF Holdings Inc. and Eledone
Management Inc.

Signed by: **Jeff Polovick** May __, 2024

Signed by: **Ayman Ammoura** May __, 2024

*I am a Director of the above entities. I
have authority to bind the above entities.*

*I am a Director of the above entities. I
have authority to bind the above entities.*

Director of The Driving Force Inc., TDF
Group Inc., MCDF Holdings Inc., and
Eledone Management Inc.

Director of The Driving Force Inc., TDF
Group Inc., MCDF Holdings Inc., and
Eledone Management Inc.

Signed by: **Tadashi Konno** May __, 2024

Signed by: **Tsutomu Suzuki** May __, 2024

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Director of The Driving Force Inc., TDF
Group Inc., MCDF Holdings Inc. and
Eledone Management Inc.

Director of The Driving Force Inc., TDF
Group Inc., MCDF Holdings Inc., and
Eledone Management Inc.

Signed by: **Takashi Tsunoda** May __, 2024

Signed by: **Mari Fujisaki** May __, 2024

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