



FIGHTING AGAINST FORCED LABOUR AND CHILD LABOUR IN SUPPLY CHAINS

2023 Annual Report

Introduction

This is the first report prepared by Flynn Canada Ltd. (“Flynn”) in response to the requirements under the Canadian *Fighting Against Forced Labour and Child Labour in Supply Chains Act* (the “Act”). This report covers Flynn’s financial year ended December 31, 2023.

Flynn does not knowingly use forced labour or child labour in any of its operations, nor does it knowingly purchase goods or services from suppliers that use forced labour or child labour. Flynn acknowledges the risks of forced labour and child labour in the global supply chain. This report sets out the actions taken to date to assess and prevent the risk that forced labour or child labour is used in Flynn’s operations and supply chains.

Flynn is committed to ongoing monitoring and improvement in its risk assessment and due diligence activities and to implementing such processes, training and remediation as may be necessary. Flynn has and will continue to promote labour practices that protect the safety and human rights of all employees.

Structure, Activities and Supply Chain

Structure

Flynn is part of the Flynn Group of Companies, North America’s largest total building envelope contractor, with 35 offices across Canada and the United States and more than 6000 employees. We are proud of making a difference by building a bright future for our employees, customers and communities by what we do, and how we all do it, every day.

Flynn is a private entity incorporated under the *Canada Business Corporations Act*, governed by the laws of Canada.

Activities

Flynn is a fully integrated building envelope contractor, involved in designing, manufacturing, fabricating, installing and maintaining the complete building envelope. This breadth of function allows a degree of enhanced visibility into the sources of the labour and material used in Flynn’s services.



Flynn's key service offerings consist of:

- **New Roofing** – design services and installation of new commercial roofs
- **Building Services** – roof and wall retrofits, waterproofing, emergency leak response, roof audits, repairs and preventative maintenance
- **Architectural Metals** – the design, fabrication and installation of exterior and interior custom designed roof and wall architectural metal systems in commercial buildings
- **Glazing** – the design, engineer and manufacture of unitized curtain wall and other specialty systems for institutional, commercial and industrial facilities

Supply Chain

Flynn has a centralized procurement function, with a dedicated team responsible for the selection, co-ordination and oversight of suppliers in the company's purchase of materials for Flynn worksites. This approach allows Flynn to realize scale and efficiencies in pricing. It also coordinates timely delivery, while enabling more focused and direct supplier engagement.

Flynn purchases products and materials predominantly from suppliers in Canada and the United States, including all Roofing products. To the extent that Flynn uses offshore suppliers, its purchasing is concentrated in Europe - specifically Spain, Ireland, Belgium, Netherlands, Germany, Poland and Britain. It also purchases certain glazing and extrusions from the United Arab Emirates and Lebanon.

While Flynn engages key suppliers who are industry leaders with strong credentials and standards, the size and scope of Flynn's business means that goods are supplied by a large number of companies - from small local businesses to international companies. Goods are procured for Flynn's manufacturing operations, use on project sites and to support Flynn's operations.

Policies and Due Diligence Processes

Flynn demonstrates ethical, responsible, professional conduct in its operations. Maintaining that standing is key to its ongoing and future success. Flynn is committed to good corporate governance, including responsibility for ensuring human rights are protected.

The Board of Directors of Flynn has ultimate responsibility for the oversight and monitoring of the company's approach in this area, with some functions delegated to an Executive Management Committee and an ESG Steering Committee established in 2023.



Flynn has centralized and robust internal Human Resources, Health and Safety and Legal functions, among other shared services. These teams are responsible in the first instance for managing compliance, training and monitoring of worker safety and human rights.

Forced Labour and Child Labour Risk

Flynn is a voluntary signatory to numerous collective agreements with labour unions in areas of its operations and has a long, successful track record of using union workforces on projects.

Flynn's keen focus on the health and safety of its employees makes it an industry leader in this area, with best-in-class key performance indicator metrics.

The recruitment and hiring of Flynn employees is carried out, with very limited exception, by Flynn's centralized Human Resources team. Flynn relies on its in-house recruitment specialists and immigration professionals to personally interview potential employees and temporary foreign workers as part of its hiring practices. This minimizes the use of external recruiters or temporary worker agencies.

To date, Flynn's risk management approach has focused on protecting employees in Flynn's operations by maintaining full visibility during the recruitment and hiring process and by ensuring that health and safety and human rights protections for existing workers are robust. However, as with other large businesses with diverse supply chains, Flynn recognizes the potential for risk due to limited visibility into Flynn suppliers' own upstream supply chains.

Flynn acknowledges that increasing its understanding of the potential risks of forced labour and child labour in its supply chain is necessary to mitigating and ultimately preventing forced labour and child labour. To that end, Flynn is committed to improving its understanding of the risks in the Flynn supply chain by increasing engagement with manufacturers and suppliers to Flynn and by reviewing our supply chain locations against publicly available information.

Assessment and Management of Risk

To assess the risk of forced labour and child labour during the reporting period, senior leaders in Flynn's Procurement, Legal and Human Resources teams reviewed the requirements of the Act and Flynn's operations to assess the potential for risk and the effectiveness of existing governance structure, policies and procedures.

Steps taken include the following:

- Review of Flynn supplier and subcontract agreements to assess whether modification needed to establish expectations and require compliance with the Act



- Review of Flynn policies and training to assess whether modification needed to identify, address and prevent the use of forced labour and child labour in Flynn operations and its supply chain
- Review of employment recruitment procedures to ensure all workers are recruited voluntarily and directly
- Mapping of Flynn suppliers by location
- Initiating engagement with several key suppliers on steps taken to better understand upstream supply chain risk

Remediation Measures, Including Loss of Income

As of December 31, 2023 Flynn has not encountered situations of forced labour or child labour in its supply chain and has therefore not had to remedy or rectify such situations.

Employee Training

The Flynn Human Resources, Health and Safety and Legal teams are responsible for periodically providing training to employees on Flynn policies, including the Workplace Anti-Violence and Workplace Anti-Harassment policies, as well as compliance with labour, employment, safety and human rights obligations.

Flynn policies and the collective agreements to which Flynn is signatory prescribe the process for reporting and investigating a potential breach of safety, employment, labour or human rights obligations. Each employee is responsible for understanding and complying with these policies.

Effectiveness Assessment

Following the risk assessment referenced above, the following measures have been identified for development and implementation by Flynn to prevent and reduce the risk of forced labour and child labour in Flynn's supply chain:

- Setting due diligence policies and processes for identifying, addressing and prohibiting the use of forced labour and child labour in Flynn activities and supply chain



- Engaging with Flynn’s suppliers and subcontractors more broadly to understand steps being taken to prevent the risk of forced labour and child labour in their own operations and upstream supply chains
- Implementing the use of questionnaires and compliance statements with Flynn suppliers and subcontractors to ensure compliance with the Act
- Developing and implementing anti-forced labour and anti-child labour clauses for Flynn supplier and subcontract agreements
- Reviewing Flynn policies and procedures to ensure that a mechanism exists for concerns relating to forced labour and child labour in Flynn operations or supply chain to be brought forward and investigated
- Reviewing training materials to incorporate specific reference to the Act as it relates to forced labour and child labour

Approval and Attestation

This report has been approved by the Board of Directors of Flynn. In accordance with the requirements of the Act, and section 11 in particular, 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 the report is true, accurate and complete in all material respects for the purposes of the Act, for the reporting year specified above.

Signed in the City of Mississauga, the 31st day of May, 2024

“Doug Flynn”

Doug Flynn
President and CEO

I have authority to bind Flynn