

# REPORT ON FIGHTING AGAINST FORCED LABOUR AND CHILD LABOUR IN SUPPLY CHAINS

2023 Annual Report

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## About this Report:

MasTec Canada Inc. ("MasTec Canada") prioritizes integrity and transparency in all of its business dealings, and is proud of its reputation for ethical practices in our relationships with colleagues, advisors, clients, suppliers and subcontractors. Respect for human rights and insistence on ethical dealings in all aspects of our business is reflected in our stand to uphold all of the principles set out in the *Fighting Against Forced Labour and Child Labour in Supply Chains Act*, S.C. 2023, c. 9 (the "Act").

This document is MasTec Canada's first report stemming from the requirements under the Act. It sets out the steps that MasTec Canada has taken prior to implementation, and in response to the legislation in order to identify, address and reduce the risk of forced labour and child labour through its supply chain. This report (the "Report") is a joint report issued by both MasTec Canada and MasTec Canadian Holdco Inc. As of the date of this Report, MasTec Canadian Holdco Inc. holds all issued and outstanding shares of MasTec Canada. This Report covers the reporting period of January 1, 2023 – December 31, 2023.



# MODERN SLAVERY AND HUMAN TRAFFICKING STATEMENT



**At MasTec Canada, building on our existing human rights and supply chain due diligence practices, we are taking action to identify and mitigate risks associated with force labour and child labour.**

## **Our Commitment:**

MasTec Canada is committed to respecting workers' rights throughout our organization, and the supply chains that we utilize for our business. To that end, we align our organization with all applicable legislation, including the **Act** and the eight fundamental conventions of the International Labour Organization on fundamental labour rights, in our contributions toward the fight against forced and child labour.

Forced and child labour, sometimes referred to as modern slavery ("**Modern Slavery**"), pose a global issue that must be addressed, and MasTec Canada is committed to ensuring that all personnel and parties with whom we conduct business, including our contractors, vendors, suppliers and sub-contractors (collectively "**Vendors**"), comply with our policies and those of our clients, and conduct themselves in a lawful and ethical manner. To that end, MasTec Canada expects that all aforementioned parties accept and abide by the principles set out in our *Code of Business Conduct and Ethics* (the "**Code**") in the course of our dealings.



# History and Structure of MasTec Canada in Canada



## History

### 2013

MasTec, Inc., purchases Big Country Energy Services ("Big Country"). Big Country was established in 2000 and focused on pipeline and facility construction in the Western Canadian Sedimentary Basin.

### 2014

MasTec, Inc. acquires Pacer Corporation (est. 1996), one of Canada's elite industrial construction companies with several fully integrated construction divisions such as heavy civil construction, earthworks and concrete stick-built and pre-engineered and modular construction. MasTec, Inc. also acquired Pacer Foundation which provided piling and foundation systems to the energy and industrial sectors.

### 2015

Fabcor Inc., based in Grande Prairie joins the Big Country group of companies.

### 2017

The Canadian entities of Big Country, Fabcor Inc. and Pacer Construction Inc. amalgamate to form MasTec Canada Inc.

## Structure

MasTec Canada is part of the MasTec, Inc. group of companies, which is a public company listed on the New York Stock Exchange, headquartered in Florida, U.S.A. As of the date of this report, MasTec Canada and MasTec Canadian Holdco Inc. are the only entities which meet the reporting criteria set out in the **Act**. Both entities have a board of directors which currently include two active officers of MasTec Canada. MasTec Canada is committed to ensuring transparency and a healthy governance structure, and has informed its directors of its obligations under the **Act**. The Board is responsible for the oversight of MasTec Canada's business activities, and MasTec Canada's management ("**Management**") has undertaken a number of internal initiatives to promote ethical behaviour within its organization, as well as externally with its relationship partners and stakeholders, including **Vendors**.

Management ensures regular updates to its key corporate policies, its **Code**, new employee training, and ongoing training for personnel concerning our business operations and practices. Management has committed as part of its efforts with respect to compliance with the **Act** to provide appropriate training to applicable personnel concerning **Modern Slavery**, in addition to its ongoing training efforts with respect to anti-corruption, anti-bribery, the **Code**, and key company policies. Management believes in the positive impact ongoing training activities have on risk mitigation measures and ethical dealings throughout the organization.

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# Services

## Industrial, Pipeline and Renewables

### Facility Construction & Maintenance

- Mechanical/Facility construction – greenfield and brownfield, shop fabrication, structural steel fabrication
- Commissioning & startup/turnover support
- Plant expansions, debottlenecking & turnarounds
- Sandblasting and coatings

### Pipeline Construction

- Above and below ground pipeline – ROW prep, excavation, backfill & clean up
- Mainline, gathering lines, laterals and loops
- Horizontal Directional Drilling (HDD) – trenchless crossings
- Single and multiple line in common ditch
- Steel and composite pipelines, various grades

### Integrity

- In-Line inspection support
- Pipeline cut-outs, line class upgrades, replacements, abandonments, and removals
- Below/above-ground valve replacements and upgrades
- Hot tap support
- Hydrostatic testing
- Investigative digs and live line excavations
- Sleeve installations, anomaly repairs, coating repairs

### Fabrication

- Modular fabrication & installation (All Trades)
- Metal fabrication and welding

### Renewables

- Wind Power Engineering, Procurement, Construction
- Carbon Capture
- Renewable Energy Source Electrical Services

### Typical Vendor Services

- Fencing and Scaffolding
- Medical
- Logging/Clearing/Grubbing
- Survey, Line locating
- Civil Works
- Garbage and Waste bins, Water and Septic
- Materials: PPE, Consumables, Pipe and Fittings



# MasTec Canada's Core Principles



## MasTec Canada has adopted the following core principles as part of its Code:

**Team:** We believe that our personal and professional goals are made possible by engaging those around us and working as a team.

**Excellence:** We work constantly to improve and are dedicated to helping our customers and our people realize success. We hold ourselves accountable to the highest standards of professionalism, and we will ensure the accuracy and integrity of the data and information we use for decision-making.

**Respect:** We hold deep respect for human beings inside and outside of our company, and share pride for the communities in which they live. We respect the opinions, ideas and perspectives of our coworkers, customers and business partners. We strive to be leaders in the communities we serve.

**Duty:** We deliver our very best in all we do and have a duty to hold ourselves and those around us responsible for actions and results.

**Integrity:** We behave with the highest levels of trust and transparency, even when no one is watching. We own our decisions and our plans, objectives and results.

**Protect:** We protect our people, partners, property and the environment. This is the cornerstone of our culture.

*MasTec Canada will not tolerate the use of forced or child labour in any of its operations, facilities or supply chains.*

## Expectations of Vendors:

MasTec Canada expects that all **Vendors** comply with the **Code**, and conduct their activities in a manner that respects basic human rights. **Vendors** are expected to ensure their business and operations:

- Comply with all applicable laws, regulations, MasTec Canada's policies and procedures and those of our clients;
- Provide wages and benefits that meet or exceed industry standards;
- Uphold basic human rights and the dignity of the person;
- Do not tolerate discrimination, violence, harassment or retaliation;
- Provide a safe and healthy workplace;
- Do not use forced labour or child labour; and
- Do not use a child to perform hazardous work.

In light of the foregoing, MasTec Canada has developed a Vendor Declaration Form which must be confirmed by all **Vendors** of significant scope contracting with MasTec Canada. We expect all of MasTec Canada's **Vendors** and stakeholders to be aware of and abide by our **Code**, and comply at all times with relevant laws and basic human rights.

# Activities and Supply Chain

## Industrial, Pipeline and Renewables



### Risk Assessment and Due Diligence:

Prior to contract award, MasTec Canada considers each **Vendor's** scope of work and location of operations. **The vast majority of MasTec Canada's Vendors are local Canadian businesses (99.8%), with a head office and operations in Western Canada.** MasTec Canada will adjust its level of due diligence based on a preliminary risk assessment based on a multitude of factors. Risk assessment criteria considers worker demographics, **Vendor** location, materials' country of origin, relevant supply chain, length and nature of a **Vendor's** business, and number of supply chain tiers. Risk assessments may be reevaluated as new information becomes available.

### High-risk suppliers:

In the event a **Vendor** is deemed high-risk, that **Vendor** may be required to comply with a heightened level of due diligence and provide evidence that they have implemented appropriate policies, practices and procedures to address forced labour and child labour concerns, and demonstrate that they have communicated these concerns throughout their workforce and supply chain.

### Our Objective:

We aim to build our internal policies based on information gathering practices throughout our supplier network, establishing best practices and determining what improvements can be made on an ongoing basis in terms of eliminating the potential for human rights infringement and modern slavery impacts.

MasTec Canada's direct and indirect procurement of materials and services is conducted primarily with Canadian **Vendors**, however the primary manufacture and procurement of some goods and services may take place outside of Canada. MasTec Canada manages procurement with its significant **Vendors** at the corporate level, while there remains operational procurement for smaller scopes at division offices and project sites.

### Supply Chain:

In 2023 MasTec Canada issued purchase orders and subcontracts across a base of 3,240 active **Vendors**. Of those 3240 active **Vendors**, all hold business operations in Canada except for five **Vendors**, all of whom are located in the U.S.A.

*MasTec Canada has considered the potential for the existence of **Modern Slavery** in the context of its services provided and supply chain activities, and has determined that the overall risk is low. Notwithstanding this self-assessed potential for low risk, MasTec Canada has taken the steps described herein to ensure we properly manage potential risks of **Modern Slavery**.*



# Key Policies and Documents

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## MasTec Canada Code of Business Conduct and Ethics

MasTec Canada complies at all times with applicable Canadian human rights, occupational health and safety, labour and employment legislation. In ensuring that it meets its obligations, it has in addition to the **Code** implemented a robust Safety Management System – Policy Manual, and regularly reviews and revises its **Code**, which includes a right to audit any party with whom it does business to ensure compliance with our policies, the **Code** and the values that it promotes. Penalties for non-compliance with the **Code** may include termination of contract, blacklisting and other penalties. MasTec Canada's **Code** incorporates a robust Whistleblower process which includes confidential reporting of any violations of the **Code**, relevant laws or other complaints. MasTec Canada's **Code** and its Whistleblower process form core tenets of our business.

## MasTec Canada Procurement Policy

As of the date of this Report, MasTec Canada is in the process of finalizing updates to its Procurement Policy which incorporate necessary revisions to address impacts of **Modern Slavery** and other risks inherent in the industry. This Procurement Policy includes a detailed process for sourcing and implementation of MasTec Canada's terms and conditions in our contractual relationships with **Vendors**, as well as the issuance of our Vendor Declaration Form to **Vendors** prior to issuance of any purchase order or contract.

## MasTec Canada Modern Slavery Policy

MasTec Canada has implemented a Modern Slavery Policy to specifically identify the eight fundamental conventions on which the **Act** is based and to set out our expectations for **Vendors**. The implementation of this Policy is intended to raise awareness of **Modern Slavery** and ensure that our operating practices and activities are performed in accordance with the **Act**.

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# Measures implemented by MasTec Canada with respect to Forced and Child Labour

## Measures Administered in the Supply Chain Process

- **Vendor Declaration Form:** MasTec Canada has implemented a Vendor Declaration Form which will apply to **Vendors** with significant scope who choose to conduct business with MasTec Canada. They will be required to review and attest to the declaration which confirms adherence to the **Act** and other applicable laws to the proposed scope of work, including but not limited to privacy and anti-corruption laws.
- **General Terms and Conditions:** MasTec Canada's Terms and Conditions have been updated to require compliance with all applicable federal, provincial and local laws specifically stating, without limitation the **Act**.
- **Contract Templates:** MasTec Canada's RFPs and contract templates have been updated to include contractual terms identifying **Modern Slavery** issues and requiring those who choose to conduct business with us take reasonable steps to identify and address risks of **Modern Slavery** in their operations and supply chains.

# Training provided to Employees on Modern Slavery

## Ongoing Educational Efforts

MasTec Canada provides a formal onboarding process to new employees which includes review and acceptance of the **Code**, and ongoing training efforts for existing personnel in response to a variety of factors. MasTec Canada incorporates involvement of the human resources and legal departments at all levels of its business, and integrates its resources with the responsibilities of local management on site, at its facilities and throughout its operations. MasTec Canada places the greatest importance on ensuring the health, safety and welfare of its workers and individuals who may be impacted or affected by its activities. This includes providing information, instruction, training and assistance to all supervisory staff in an effort to protect the health and safety of our employees and contractors, and understanding and monitoring our policies as well as applicable legislation on an ongoing basis.

MasTec Canada took steps in 2023 to identify the need for compliance with the **Act**, and initiated training sessions on the Act within its Supply Chain Management Group in early 2024. We intend to cascade training efforts to all relevant personnel who may be exposed to **Modern Slavery** impacts within the organization through the remainder of the year and going forward.

## Assessing our Effectiveness in the mitigation and prevention of Modern Slavery

MasTec Canada does not currently have a defined process to measure its effectiveness in mitigating and preventing **Modern Slavery**. Following the roll-out of our Vendor Declaration Form, we will continue an ongoing review of our activities and **Vendors**, and intend to improve our processes with increased awareness across our organization and the industry. Where we do identify instances of high-risk **Vendors** or instances of non-compliance, we intend to develop a formal process to address.



## Remediation Measures

As of the date of this Report, MasTec Canada has not uncovered any instances of forced or child labour in its organization, its activities or its supply chains. Due to the absence of any cases, MasTec Canada has not taken any remediation steps to date, however we will continue to monitor our activities and supply chains to ensure that an appropriate process is developed should such circumstances be identified.

MasTec Canada is also not aware, as of the date of this Report, of any instance(s) where our efforts at mitigation or prevention have prevented or reduced the risk of forced or child labour in our activities or supply chains have contributed to a loss of income for vulnerable families.

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# Approval and Attestation

**This Report was approved by the Boards of MasTec Canada Inc. and MasTec Canadian Holdco Inc. on May 28, 2024, pursuant to section 11(4)(b)(ii) of the Act.**

In accordance with the requirements of the **Act**, and in particular section 11 thereof, I certify that I have reviewed the information contained in this Report for MasTec Canada Inc. and MasTec Canadian Holdco Inc. According to my knowledge and having exercised reasonable diligence, I certify that the information contained in this Report is true, accurate and complete in all respects material to the application of the **Act**, to the best of my knowledge for the reporting year 2023 as of the date listed below. I have provided my signature here on behalf of the entities listed above, in my capacity as officer and director, and not on my personal behalf.

May 30, 2024

Greg Northcott  
Executive Vice President, Director

*I have authority to bind MasTec Canada Inc. and MasTec Canadian Holdco Inc.*

