



CONSTRUCTION

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

For the financial year ended October 31, 2023

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1.0 Introduction

This report is prepared in accordance with the *Fighting Against Forced Labour and Child Labour in Supply Chains Act*, S.C., 2023, c.9 (the Act), which requires certain entities to report on the measures they have taken to prevent and reduce the risk of forced labour or child labour in their supply chains. The Act applies to PCL Construction Holdings Ltd. and its affiliated entities (PCL).

This report covers the financial year ended October 31, 2023 and summarizes the steps that PCL has taken to prevent and reduce the risk of forced labour or child labour in the production of goods in Canada by PCL or of goods imported into Canada by PCL. The report is based on the information available to PCL as of the date of publication and reflects the continuous improvement of its policies and practices over time.

In addition to the Act, PCL is also subject to reporting requirements under the Australian *Modern Slavery Act 2018*, under the PCL Constructors Pacific Rim Pty Ltd. Entity.

2.0 Our Structure and Activities

2.1. Structure

PCL is a group of Canadian companies incorporated under the Alberta Business Corporations Act, or other equivalent statutes, and headquartered in Edmonton, Alberta.

PCL operates as a group of independent construction companies throughout the United States, Canada, the Caribbean, and Australia. As one of the largest contracting organizations in North America, PCL completes more than \$10 billion CAD in work annually, building projects that shape communities. The company's 100% employee ownership model fuels a culture of commitment for clients in the buildings, civil infrastructure, heavy industrial and solar markets. With a strategic presence in more than 30 major centers, PCL's leadership teams consistently drive innovation and set new benchmarks for excellence, bringing unparalleled skill to every project. For more information, please visit [PCL.com](https://www.pcl.com).

While PCL does not directly produce or sell goods, we do procure and import goods in Canada and elsewhere as part of our operations and supply chains. Our operations are based in North America and Australia, where strong human rights legislation is enforced.

2.2. Our Activities are Carried out Through our Three Primary Business Sectors

Buildings: Across Canada, the United States and Australia, PCL delivers projects including healthcare, multifamily residential, aviation and transportation, sports and entertainment, education, government and cultural facilities, mass timber structures, government and cultural facilities, solar projects, data centers, manufacturing facilities, convention centers and other commercial buildings. PCL also performs substantial building revitalization and retrofit work.

Civil Infrastructure: PCL's Civil Infrastructure group builds projects such as water and wastewater treatment facilities, transit stations, bridge replacements, interchanges, rail and airport runways.

Heavy Industrial: PCL's Heavy Industrial group provides construction management, direct-hire execution, pipe and vessel fabrication, modular assembly, shutdown and maintenance, commissioning and other services. Industries served include electrical infrastructure, nuclear, oil and gas, mining, petrochemical,

renewable energy and resource extraction. The group specializes in all aspects of preconstruction, construction and commissioning, as well as plant shutdowns and turnarounds.

3.0 Our Supply Chain

The PCL supply chains consist of global suppliers that provide materials, goods and services to PCL, including contractors, subcontractors, vendors and consultants. We focus on working with suppliers who:

- share our commitment to the highest standard of business conduct; and
- are willing to uphold our core principles of Safety, Honesty, Integrity, Respect, Inclusion and Excellence.

4.0 Policies and Processes in Relation to Forced Labour and Child Labour

PCL has used the following sources and methods to prepare this report:

- **PCL Code of Conduct:** our Code of Conduct defines the actions, behaviors and practices expected of and required by PCL employees. The Code of Conduct ensures that our staff uphold commitments to anti-discrimination and harassment, a safe working environment and combatting unethical business conduct.
- **PCL Ethics Hotline:** all staff and third parties have access to and are encouraged to contact the PCL Ethics Hotline to confidentially raise concerns regarding any ethics or compliance concerns.
- **PCL Subcontractor Pre-qualification Process:** before becoming a supplier for PCL, a business will need to complete our pre-qualification process which contains questions on the subcontractor's safety program and performance.
- **PCL Labour law compliance:** we comply with all applicable Canadian labour laws.
- **PCL Contractual Controls:** through our Subcontractor Agreement, we require our subcontractors to conduct their business in accordance with ethical business practices and comply with all applicable legal requirements, including workplace/ occupational health and safety requirements. In addition, where clients impose specific requirements on PCL, those specific requirements are also included in our subcontractor agreements.

5.0 Steps Taken to Prevent and Reduce Risks of Forced Labour and Child Labour

PCL acknowledges that forced labour and child labour is a global and complex challenge. Our core values include honesty, integrity and respect. Addressing forced labour and child labour risks in our operations and supply chains is important to ensure we are living up to our values.

PCL conducts its business globally with respect for candidness, truthfulness and high standards of business ethics, and is committed to key attributes of safety, quality, sustainability and stewardship. These characteristics underpin all of our business operations and provide a positive and ethical work environment that supports doing what is right, respecting others and performing with high standards.

We acknowledge that the risks of forced labour or child labour may be heightened in our supply chain and operations as a result of the sector and industry we operate in, the geographical location of some of our suppliers, and the products we use.

The construction industry typically involves long and complex supply chains, which means we do not always have direct visibility over lower-tier indirect suppliers.

We also acknowledge that we lack visibility in certain overseas markets and this, again, carries additional risks of forced labour or child labour especially at the more distant levels of our chain of suppliers and source materials used in our goods and services.

At PCL, our goal is to be the leading construction company in North America and beyond—for clients, communities, and our employee owners. The vision of PCL is underpinned by our code of conduct and a set of Core Values and Guiding Principles that serve as the cornerstone of our organizational culture. These principles are crafted to uphold the highest standards of professionalism, integrity, and social responsibility, guiding every aspect of our operations. At PCL, we hold Safety, Honesty, Integrity, Respect, Inclusion, and Excellence as foundational pillars guiding our conduct and operations.

Our overarching objective is to foster positive economic and social impact, positioning ourselves not only as leaders within our industry but also as exemplary employers and conscientious corporate citizens.

PCL has a code of conduct and policies and processes in place to reduce the risks of forced labour and child labour in our operations and supply chains. Our code of conduct applies enterprise-wide and supports our commitment to upholding human rights. We have a zero-tolerance policy for human rights abuses, which extends to the use of forced labour and child labour.

PCL currently has partnerships with Talent Beyond Boundaries and Joblio, which provide access to skilled immigrant workers. PCL has also previously accessed the federal government’s Temporary Foreign Worker programs and express entry programs for trades. We also partner with the Carpenters’ Regional Council to help Ukrainian refugees to enter to the construction industry. Finally, we continue to monitor guidance and practices for the construction industry.

The most suitable and effective measures by members of the Canadian construction industry to reduce global forced labour and child labour will evolve as the Act is implemented and as the industry identifies such measures. PCL will continue to monitor these developments as they unfold and adjust its practices accordingly.

PCL CONSTRUCTION HOLDINGS LTD.



David G. Filipchuk
President & Chief Executive Officer