



FRANSYL

Produits pour Toitures Fransyl Limitée. - Bill S-211 Report



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Introduction

The following report has been drafted by Produits pour Toiture Fransyl Ltd. ("Fransyl") in alignment with section 11 of Bill S-211, an Act to enact the Fighting Against Forced Labour and Child Labour in Supply Chains Act (the Act) for the financial year ending May 31, 2025. The entity covered by this report is Fransyl (Business Number: 131404584)

Under the act, Fransyl qualifies as an entity due to its presence with a place of business, business activities, and assets in Canada. Moreover, it satisfies two of the three size-related thresholds concerning revenue and assets. Importantly, Fransyl fulfills the reporting obligation for entities as a distributor of roofing materials and products, which may include items produced outside of Canada.

Fransyl is steadfast in its commitment to uphold honesty and integrity in all its business operations. In alignment with bill S-211, this report has been prepared to disclose the measures that our organization has implemented, as well as those it plans to undertake, to mitigate the risks associated with modern slavery within its business framework.

Section A: Structure, Activities, and Supply Chains

Fransyl operates in the construction materials industry across New Brunswick, Ontario, and Quebec. It sources materials primarily from Canada and the United States, specializing in roofing and building envelope systems, insulation and waterproofing. Fransyl serves residential as well as commercial clients, emphasizing quality and accessibility in its nationwide distribution network.

Section B: Policies and Due Diligence Processes

Fransyl prioritizes ethical practices and trust throughout its operations and supply chain. This philosophy, coupled with Fransyl's strategy of cultivating deep relationships with its vendors, serves as a fundamental safeguard against the risks of forced and/or child labour, as well as other unethical practices within its operations and supply chain.

While Fransyl has not yet implemented formal policies or due diligence processes over the past fiscal year, the company has taken steps to monitor suppliers. A new process will be implemented in the 2025-2026 fiscal year to do validation for new suppliers as well as some random validation with actual suppliers. The organization is aware of the challenges associated with forced labour and child labour, which can manifest in several of their sectors. Indeed, Fransyl is taking measures to source from geographical regions where these risks are low, if not minimal, such as Canada and the United States. As for sourcing raw materials, Fransyl maintains commercial relationships with entities operating in complex sectors requiring high levels of expertise and specialization, thereby also limiting the risk of forced labour and child labour.

The organization maintains a commitment to upholding the highest standard of ethical labour practices and fostering a sustainable, responsible supply chain. Looking ahead, Fransyl is dedicated to continuing to enhance its efforts to actively reduce the risk of forced and child labour in its supply chain.

Section C – Forced Labour and Child Labour Risks

During the past fiscal year, we did not initiate the process of identifying risks. However, to pinpoint potential forced and/or child labour risks within our supply chain, Fransyl has conducted, once again this year, a risk assessment. This assessment was guided by insights from reputable sources including the Walk Free Global Slavery Index, the Organization for Economic Co-operation and Development's (OECD) Due Diligence Guidance for Responsible Business Conduct, and the US Department of Labour's List of Goods Produced by Child Labour or Forced Labour. These documents were chosen due to their recognized authority in addressing

forced and child labour risks for Canadian entities. Through this analysis, our organization identified potential forced and child labour risks associated with specific countries.

This risk identification exercise does not presuppose the actual use of forced or child labour within our operations or supply chains; rather, it is aimed at recognizing potential scenarios where such risks might arise, thereby further enabling Fransyl to implement effective preventative measures. Our assessment acknowledges that no industry is entirely exempt from the risks of forced and child labour and there are inherent vulnerabilities within certain sectors of our supply chain, particularly in regions where regulatory frameworks and enforcement mechanisms might not be robust.

The analysis considered specific geographic regions that, according to the Walk Free Global Slavery Index and other credible sources, present a higher risk of forced and child labour practices. This geographic risk assessment was combined with an assessment of at-risk-goods categories, further enabling a targeted lens to our risk assessment.

Risk Assessment Findings

Through our analysis, we identified that our suppliers operate principally in the following three countries: Canada, United States and China. The five largest suppliers account for approximately 43% of Fransyl's annual expenditures, with four located in Canada and the United States, and one supplier from China. According to the Walk Free Global Slavery Index, both Canada and the United States exhibit low prevalence rates of forced and/or child labour. In contrast, China presents a high prevalence of forced and child labour, although it only accounts for 14% of our top 5 suppliers' import expenditure.

We also considered the data from the US Department of Labour's List of Goods Produced by Child Labour or Forced Labour. This is an important step in isolating specific goods from our import portfolio that may be susceptible to forced or child labour. This assessment identified no high-risk areas. Polystyrene beads, the product we import from our largest Chinese supplier, are not subject to an elevated risk of forced or child labour practices.

Our risk assessment indicates a low exposure to forced and child labour risks within our supply chain relative to overall expenditures. However, this doesn't diminish our commitment to risk management. Looking forward, Fransyl remains resolute in its pursuit of enhancing due diligence endeavors to proactively mitigate the risk of forced and child labour.

Section D – Remediation Measures

Over the past fiscal year, our assessments have not identified any instances of forced or child labour within our operations or supply chains, and accordingly, no remediation measures have been taken. In alignment with the United Nations Guiding Principles on Business and Human Rights, we recognize the importance of having robust remediation measures in place.

While no instances of forced or child labour within our operations or supply chains have been identified, should they be in the future, immediate action will be taken. We will engage directly with affected individuals and communities to understand the impact and develop appropriate remediation measures. Recognizing the complexity of supply chains, we commit to working collaboratively with our suppliers to ensure remediation measures are effectively implemented.

Section E – Remediation of Loss of Income

Over the past fiscal year, Fransyl has not identified any instances of child or forced labour in its operations or supply chains, and by way of a supply chain risk assessment has determined itself to carry a relatively low overall supply chain risk as it relates to forced or child labour. Thus, no measures have been taken to remediate the loss of income to vulnerable families. We recognize the importance of being prepared to take immediate and effective action should any such issues arise.

Section F – Training

Over the past fiscal year, Fransyl has not conducted formal training programs related to forced and child labour in the supply chain. However, the company recognizes the importance of employee awareness and is actively considering the development and implementation of mandatory training programs on these critical issues.


Our aim is to foster a supply chain and team of professionals that are collectively vigilant and proactive against forced and child labour.

Section G – Assessing Effectiveness

While Fransyl does not currently have specific policies and procedures in place to assess its effectiveness in ensuring that forced labour and child labour are not being used in its activities and supply chains, we are committed to implementing more robust measures if concerns arise or best practices evolve.

Attestation

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.

X 
Full Name Shirley McCaffrey

X Senior Vice-President Finance & Legal
Title

X 20-08-2025
Date

X
Signature*

*Signature, accompanied by the statement "I have the authority to bind 'Produits pour Toitures Fransyl Limitée and all entities belonging to the Group. This declaration has been examined and approved by the Chief Financial Officer.'