

FINNING 2025

# JOINT MODERN SLAVERY REPORT

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# A. ABOUT THIS REPORT

This Joint Modern Slavery Report is made in accordance with Canada's Fighting Against Forced Labour and Child Labour in Supply Chains Act (the Act) for the reporting period of January 1, 2025 to December 31, 2025. Finning International Inc. (Finning International) has prepared this Report in conjunction with its wholly-owned subsidiary OEM Remanufacturing Company Inc. (OEM) as OEM is a reporting entity under the Act<sup>1</sup>. In Canada, Finning International operates through our Finning (Canada) division. In this Report, any reference to "Finning", "we" or "us" is a collective reference to Finning International, Finning (Canada) and OEM, unless stated otherwise. References to our supply chain are made in the context of the Act and are therefore limited to supply chains of goods that are imported into, manufactured in, sold in, or distributed in Canada by Finning International or OEM. The term "modern slavery" has been used throughout this report to refer to both forced labour and child labour.

Message to Shareholders	3
Our Structure, Activities and Canadian Supply Chain	4
Human Rights at Finning	5
Modern Slavery and Our Supply Chain	6-7
Other Actions Taken in 2025	8
Assessing Effectiveness	9
Concordance Table	10



<sup>1</sup>Our prior joint modern slavery reports included 4Refuel Canada LP. On June 30, 2025, Finning completed the sale of 4Refuel Canada LP and its affiliated entities (collectively, 4Refuel) to HIG Capital. As Finning no longer owns 4Refuel, it is not included in this Joint Modern Slavery Report.



## B. MESSAGE TO SHAREHOLDERS

We are a company committed to having a positive impact on each other, our customers, and the communities where we work. In 2025, we continued to advance our approach to human rights risk management within our supply chain. This Report outlines the steps we undertook in 2025 to identify and address potential risks of forced labour and child labour in our supply chain.

This Report was approved by the Board of Directors of each of Finning International and OEM. In accordance with the requirements of the Act, and in particular section 11 of the Act, I attest that I have reviewed the information contained in this Report for both Finning entities that are subject to the Act. 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 our financial year ended December 31, 2025. I provide this attestation in my capacity as an officer of Finning International and OEM, and not in my personal capacity. I have the authority to bind Finning International and OEM.

A handwritten signature in black ink that reads "Kevin Parkes".

Kevin Parkes  
President and Chief Executive Officer  
March 20, 2026

## C. OUR STRUCTURE, ACTIVITIES AND CANADIAN SUPPLY CHAIN

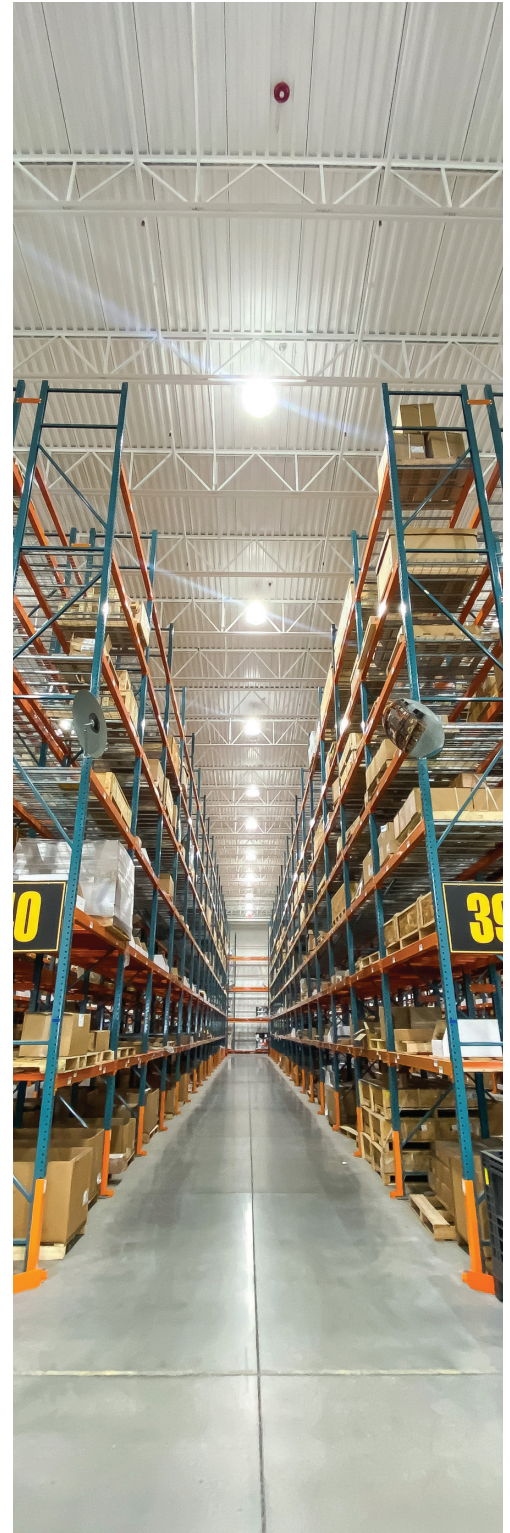
Finning International is a global corporation with its head office in Surrey, British Columbia, Canada. We are the world's largest dealer of Caterpillar products and we are the authorized dealer of Caterpillar products in Western and part of Northern Canada, the United Kingdom, the Republic of Ireland, and the Southern Cone of South America (Chile, Argentina, and Bolivia). On December 31, 2025, we had approximately 15,047 employees worldwide.

Our principal business is to provide sales, rentals, parts, services, and performance solutions for Caterpillar equipment, engines and complementary equipment, with such equipment and parts generally being imported from abroad. Our product support infrastructure and service capabilities deliver solutions to help customers to lower their overall cost of ownership while maximizing productivity.

We also provide remanufacturing and component exchange services in Canada through our wholly-owned subsidiary, OEM. OEM is one of North America's most advanced heavy-equipment engine and powertrain component remanufacturing companies, serving the resource, construction, energy and transportation industries.

As a Caterpillar dealer, Caterpillar is by far our largest supply partner, comprising a large majority of our annual expenditures on third parties. Caterpillar manufactures equipment, engines and parts in every region in the world to support their global customers and dealers.

Outside of Caterpillar, our main suppliers provide goods and services, such as personal protective equipment, shop consumables, transportation and logistic services, machine attachments, ancillary equipment, office supplies and equipment, facilities services, IT services and professional services.



## D. HUMAN RIGHTS AT FINNING



Finning is committed to respecting human rights throughout our operations as noted in our Code of Conduct and our Sustainability Policy. This respect for human rights is informed by the United Nations Declaration of Human Rights, the United Nations Guiding Principles on Business and Human Rights (UNGPs), the International Labor Organization's (ILO) 1998 Declaration on Fundamental Principles and Rights at Work, employment laws in regions where we operate, and applicable legislation protecting human rights.

Consistent with our commitment to human rights, we:

- Reject, and support the elimination of, all forms of modern slavery in the workplace including forced labour and child labour;
- Are committed to creating safe, secure, and healthy work environments;
- Recognize diversity and inclusion as fundamental elements contributing to the achievement of our business objectives; and
- Seek to compensate our employees fairly and competitively in their respective locations.

### RESPECT, INCLUSION AND DIVERSITY

We are committed to building safe, talented, and inclusive teams at Finning, where diverse perspectives are respected and valued. To promote an inclusive culture and protect the physical and psychological safety of our employees, we are committed to ensuring that all individuals enjoy respect and dignity in a safe environment, free from discrimination, bullying, harassment or workplace violence. We also seek to ensure everyone feels safe, valued and a sense of belonging, so that they will have courage to speak up with innovative ideas and intervene if they observe inappropriate behaviours that undermine our culture and strategy, including but not limited to any concerns regarding modern slavery, whether internal or external.

We have a number of policies that support one or more of these commitments, including our:

- Code of Conduct
- Global Respect, Inclusion, and Diversity Policy
- Sustainability Policy
- Indigenous Relations Guiding Principles in Canada
- Global Anti-Bribery and Anti-Corruption Policy
- Global Political Contributions Policy
- Corporate Disclosure Policy
- Share Trading, Hedging and Use of Material Information Policy
- Whistleblower Policy

# E. MODERN SLAVERY AND OUR SUPPLY CHAIN

## CATERPILLAR®

As a Caterpillar dealer, the majority of our operations and business is the sale and service of Caterpillar equipment and parts. We value our long-standing relationship with Caterpillar and our shared commitment to respecting human rights throughout our respective operations. We understand that Caterpillar believes the risk of modern slavery is low in its operations and those of its direct suppliers due in part to the controls and standards Caterpillar has in place. We understand from Caterpillar's Canada Modern Slavery Report - 2024<sup>2</sup> that:

- **Supplier Standards:** Caterpillar views their suppliers as an important part of their extended value chain. Caterpillar is committed to working with its suppliers to uphold Caterpillar's corporate values, Supplier Code of Conduct and Human Rights Policy.
- **Supplier Accountability:** If Caterpillar becomes aware of any actions or conditions within its supply chain that are not in compliance with Caterpillar's Supplier Code of Conduct, Caterpillar reserves the right to require that the implicated direct supplier implement corrective measures. A supplier's continued non-compliance may lead to additional actions, up to and including termination of the business relationship.
- **Supplier Self-Assessment:** Critical tier-1 Caterpillar suppliers are instructed to complete a self assessment which includes questions regarding the policies and procedures such suppliers have in place to tackle modern slavery issues in their respective supply chains. Caterpillar uses assessment response data to address supply chain risk through a collaborative approach with responding suppliers.
- **Supplier Audits:** Beginning in 2024, Caterpillar commenced utilizing a third party in its verification process and now performs on-site audits on select suppliers for social compliance regarding modern slavery and human trafficking in the countries where such suppliers do business.
- **Policies and Training:** All Caterpillar employees are required to complete Caterpillar Code of Conduct training on an annual basis. This training includes a certification by each employee that they are not aware of any activities (including modern slavery issues) that violate the Caterpillar Code of Conduct. Additionally, Caterpillar's policies apply company-

wide, including to Caterpillar's wholly-owned subsidiaries and joint ventures.

- **Reporting Modern Slavery Concerns:** Caterpillar encourages individuals to report situations in which they have a good-faith belief that any circumstance or action violates their supplier standards or applicable law. Caterpillar has dedicated confidential and anonymous means to encourage such reporting by any party. Caterpillar will not take any action – or tolerate any reprisal – against any person for raising an issue in good faith.<sup>3</sup>

## OTHER SUPPLIERS

Finning's non-Caterpillar sourcing is from reputable organizations based primarily in Canada and the United States. In 2025, we did not identify any forced labour or child labour in our supply chain and therefore did not implement any remediation measures (including to remediate any loss of income to vulnerable persons that could result from measures to remediate forced or child labour in activities or supply chains). We recognize that the risks of modern slavery may vary through our suppliers' supply chains, depending on the industry and countries where their suppliers operate. We are prepared to demand corrective action from suppliers if we identify any modern slavery concerns.

## SUPPLIER CODE OF CONDUCT

Finning (Canada) and OEM suppliers are expected to review and comply with our global Supplier Code of Conduct which requires, among other things, suppliers to conduct their operations ethically and without contravention of human rights legislation and conventions. Notably, we expect that:

- All work performed on a supplier's behalf is undertaken voluntarily and is not forced; and
- Our suppliers, at minimum, abide by local child labour laws and align their practices with the fundamental labour standards outlined by the ILO in Convention No. 138 on Minimum Age and Convention No. 182 on the Worst Forms of Child Labour. Children must be protected from harm, have access to education, and should be free to attend school before they enter the workforce.

<sup>2</sup>Canada Modern Slavery Report – 2024: Caterpillar of Canada Corporation, online: [Caterpillar\\_of\\_Canada\\_Corporation\\_2025\\_Genh2F\(1\).pdf](#), at page 2.

<sup>3</sup>Canada Modern Slavery Report – 2024: Caterpillar of Canada Corporation, online: [Caterpillar\\_of\\_Canada\\_Corporation\\_2025\\_Genh2F\(1\).pdf](#), at pages 2-4.

Additionally, our Supplier Code of Conduct requires that suppliers compensate their workers in accordance with applicable employment laws, including those pertaining to minimum wages, working conditions, overtime hours, and legally mandated benefits. In cases where no specific employment laws exist, workers should be remunerated fairly and at least at the minimum industry standard in the local area. Suppliers are expected to regularly review worker compensation to evaluate whether workers earn enough to meet their basic needs and the needs of their family to disincentivize the need for such workers to resort to child labour or forced labour to supplement family income.

If we become aware of any actions or conditions in our supply chain that do not align with our Supplier Code of Conduct, we retain the right to demand corrective actions from the supplier. Non-compliance by a supplier may result in further actions by Finning, including the termination of our business relationship.

## DUE DILIGENCE

We have a due diligence process in place in respect of new suppliers. This process is administered by our procurement team. As part of this due diligence process, we require prospective suppliers to complete a supplier registration form which includes questions about whether the prospective supplier has policies, systems, programs or other measures in place to combat modern slavery risks within their supply chain. Additionally, for certain on-site suppliers, Finning (Canada) engages a third party to complete due diligence screenings using enhanced measures, including requesting information about such suppliers' modern slavery policies to assess and identify possible modern slavery concerns.

## CONTRACTUAL PROVISIONS

Our template procurement contracts require suppliers to confirm that they have taken, and will continue to take, commercially reasonable steps to identify, assess, and address risks of modern slavery in their respective supply chains. If at any time the supplier becomes aware of modern slavery practices in its operations or supply chain, they are required to: (a) promptly notify Finning of

the issue; (b) take all reasonable action to address or remove these practices from their business; and (c) provide updates to Finning on the situation, as may be requested by Finning.

## HUMAN RIGHTS-RELATED RISK MANAGEMENT

Finning International's enterprise risk management (ERM) process is designed to ensure that key risks to the company are identified and managed, including environmental, social and governance risks and human rights-related risks.

In 2024 and 2025, Finning International conducted a review of our existing policies and practices related to human rights risk management. The review was conducted by a cross-functional working group, including senior members of Sustainability, Procurement/Supply Chain, Legal, ERM and Governance/Compliance, and included engaging with, as appropriate, our management and board of directors. We also reviewed, among other things, the policies and practices of a selection of peer and other similarly-situated companies, the legal and regulatory landscape, developments and trends in the regions where we operate related to human rights and sustainability reporting, the UNGPs, and government directives and guidance related to human rights due diligence, in each case applicable to Finning International and in the context of our supply chain and business operations as a dealer of industrial equipment. This review included an assessment of our policies and practices against the UNGPs.

Overall, we determined that our approach to human rights risk management includes appropriate governance, management of ethical conduct, and risk management processes relevant to the nature of Finning International's commercial operations. However, based on the review, we also made certain changes to further enhance our policies and practices, including to better align aspects of them with the UNGPs. Please see our Sustainability Report for more information about our approach to human rights-related risk management.

## F. OTHER ACTIONS TAKEN IN 2025

In 2025, our Modern Slavery in Supply Chains Council (as described below) reviewed our current policies, procedures and practices in order to assess the risk of possible modern slavery issues within

our supply chain. Guided by our human rights risk management framework, this re-assessment led to a number of actions outlined in this section.

### MODERN SLAVERY IN SUPPLY CHAINS COUNCIL

Established in 2024, our Modern Slavery in Supply Chains Council (Council) is a cross-functional group of employees responsible for assessing and monitoring risks of modern slavery within our supply chain, implementing mitigation strategies, ensuring compliance with applicable laws, raising internal awareness, and reporting annually on our progress through the Joint Modern Slavery Report. Although most Council members are based in Canada, employees from other regions attend Council meetings to help foster a more global understanding of the Council's work within the organization. The Council met at various points in 2025 and oversaw the actions implemented in 2025 (described below), which are designed to further combat the risk of modern slavery in our supply chains.

### SUPPLIER MODERN SLAVERY QUESTIONNAIRE

In 2025, we asked all our Tier 1<sup>4</sup> suppliers to complete a Modern Slavery Supplier Questionnaire. The questionnaire sought information on each supplier's human rights policies, supply chain transparency and due diligence practices, labour standards, and employee training programs, among other things. Overall, questionnaire responses indicate that our Tier 1 suppliers appear to have good awareness of modern slavery issues and have implemented proactive measures within their organizations to mitigate modern slavery risks such as through policies and employee training.

### SUPPLIER CODE OF CONDUCT

In 2025, we updated our Supplier Code of Conduct to add a mechanism for reporting suspected supplier breach via our Ethics and Compliance Website or Help Line. This update to our Supplier Code of Conduct provides a confidential and anonymous way for concerns to be raised regarding any of our suppliers, and is intended to, among other things, promote early identification and resolution of potential issues. We communicated the updates to our Supplier Code of Conduct by sending an email notification to our suppliers.

### EDUCATION

In addition to training provided to Canadian-based procurement employees regarding modern slavery issues, we furthered our commitment to raising internal awareness in 2025 by expanding training to our procurement teams in South America, the United Kingdom, and Ireland, where employees completed an introductory course on modern slavery.



<sup>4</sup>Finning classifies its suppliers into three tiers: Tier 1, Tier 2, and Tier 3. Tier 1 suppliers are our most significant suppliers as they have a critical impact on the business, represent significant spend and/or operate in markets with limited qualified alternatives.

## G. ASSESSING EFFECTIVENESS

We take a data-driven approach to identify, assess, and respond to human rights risks in connection with our business activities, including (i) review of external resources to identify material human rights risk areas, (ii) internal communications regarding human rights risks, and (iii) determining appropriate risk mitigation measures. In the supply chain context, other activities that we use to assess the effectiveness of our actions include analysis of supplier questionnaire responses and investigating and tracking concerns raised through our reporting mechanisms, including our Ethics and Compliance Website or Help Line. We also monitor applicable regulatory developments and human rights practices aimed at ensuring that our human rights risk management framework and practices are relevant and appropriate in the context of our supply chain and business operations. Through our governance structures, periodic review of policies and procedures, employee training, and culture of continuous improvement, we aim to continually strengthen our ability to address the risk of modern slavery in our supply chain.



## H. CONCORDANCE TABLE

For ease of reference, the concordance table below sets out which section(s) of this Report respond to the various requirements in the Act.

REPORT REQUIREMENTS FROM THE ACT	SECTION OF THE REPORT
The steps the entity has taken during its previous financial year 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 the entity or of goods imported into Canada by the entity.	Section E (under Supplier Code of Conduct) and Section F
The entity's structure, activities and supply chains.	Section C
Its policies and due diligence processes in relation to forced labour and child labour.	Sections D and E
The parts of its business and supply chains that carry a risk of forced labour or child labour being used and the steps it has taken to assess and manage that risk.	Section E
Any measures taken to remediate any forced labour or child labour.	Section E (under Other Suppliers)
Any measures taken to remediate the loss of income to the most vulnerable families that results from any measure taken to eliminate the use of forced labour or child labour in its activities and supply chains.	Section E (under Other Suppliers)
The training provided to employees on forced labour and child labour.	Section F (under Education)
How the entity assesses its effectiveness in ensuring that forced labour and child labour are not being used in its business and supply chains.	Section G