



Universal Protection Service of Canada Corporation dba

Allied Universal®

Modern Slavery, Forced and Child Labour Report 2023

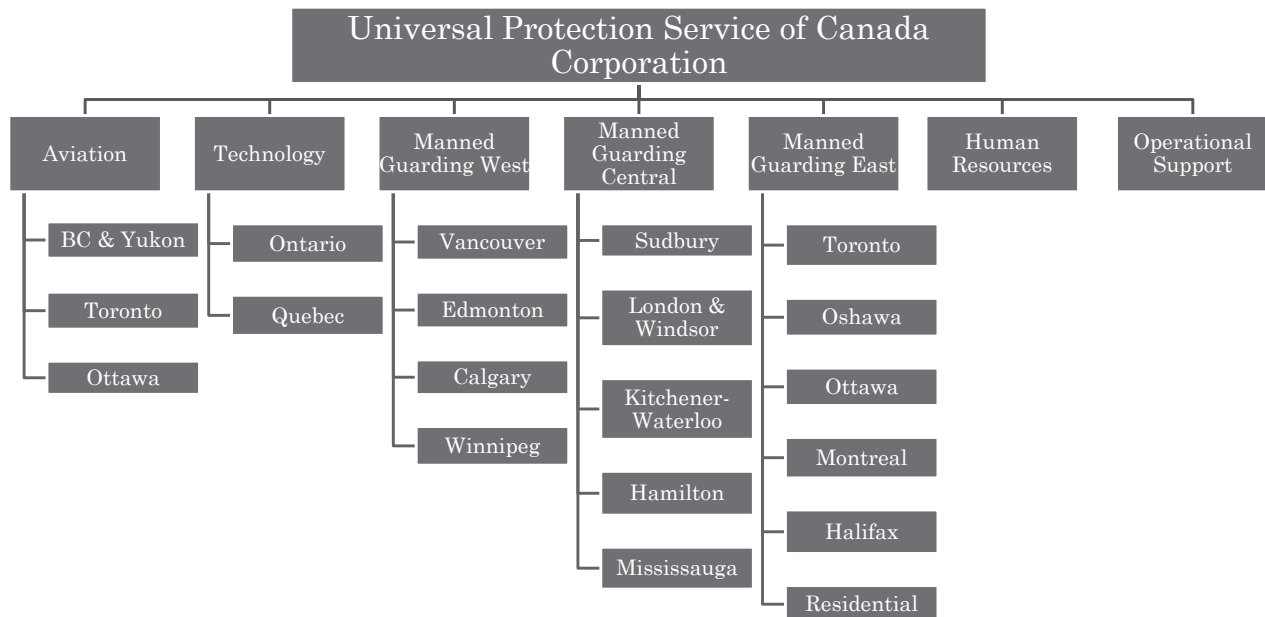
INTRODUCTION

This report is made in accordance with the *Fighting Against Forced Labour and Child Labour in Supply Chains Act*, for the fiscal year 2023. This report gives an insight into who we are and what we do. In addition, it sets out the steps that we have taken to identify and reduce the risk of forced and/or child labour occurring within our supply chain and business operations.

COMPANY STRUCTURE AND ACTIVITIES

Universal Protection Service of Canada Corporation operates under the trade name of Allied Universal® and is ultimately owned by Allied Universal® originating from and headquartered in the United States of America.

Allied Universal is a leading security and technology services company, providing Canadian clients with proactive, tailored and integrated security solutions that address today's changing risk profiles. A nationwide security provider, with 8500 employees, the three core segments of the business are Manned Guarding, Aviation Security and Technology Integration. The geographic structure is provided in the below diagram.



Manned Guarding – provides clients across the country with proactive commercial physical security services, experienced security personnel and cutting-edge smart technology to deliver evolving, tailored solutions that minimize overall risk.

Aviation Screening – provides airport and airline security solutions for the aviation industry, understanding the challenges airports, airlines and airport authorities of all sizes face.

Technology Integration - delivers the most up-to-date security systems for businesses, with technology solutions that can be customized to meet the unique needs of organizations and site-specific requirements.

SUPPLY CHAIN

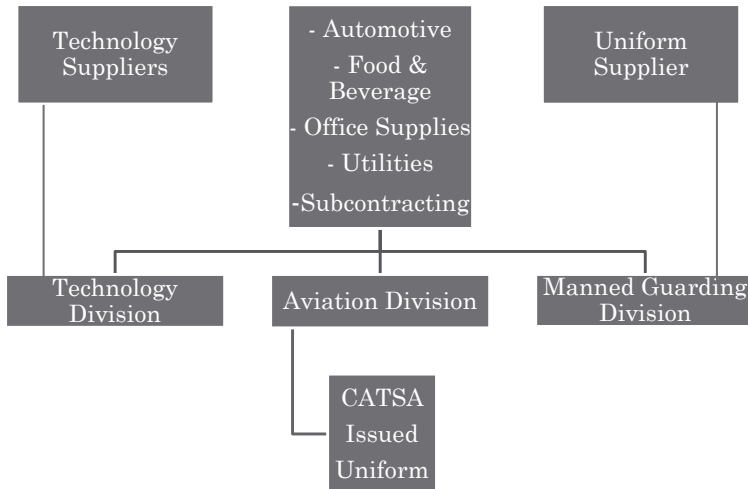
As a company overall, and for all divisions in 2023, the areas of direct procurement for our supply chain were automotive products and services, food and beverage, office supplies and utilities.

In addition to these products, our technology division procured hardware and software to provide technology services and installation.

Subcontracting was utilized in all divisions. Services provided were security services, technology installation and integration, and airport janitorial and custodial services. In total 58 subcontractors were engaged.

In 2023 both the manned guarding and aviation divisions required job specific uniforms for guards, screening agents and supervisory staff. Aviation uniforms were supplied by the Canadian Air Transport Security Authority directly. The manned guarding division uniforms were supplied by a single vendor based in the United States of America.

Overall, 148 registered suppliers from 4 countries were engaged with 99 per cent of the supplier spend from Canada or USA suppliers.



Identifying the Risk of Forced and/or Child Labour in our Supply Chain

Forced and/or Child Labour Risks Within Our Workforce

A responsible employer does not overlook potential forced and/or child labour risks within its own workforce.

Allied Universal has a robust recruitment process for all employees. Mandatory, multiple interviews and compatibility determinations are conducted. Before enrollment, candidates voluntarily consent to a minimum five-year background check, lengthier for certain roles and positions.

Once employment has commenced, our extensive Human Resources base is equipped and vigilant to modern slavery in all forms, including forced and/or child labour.

To date, including fiscal year 2023, we have not identified any cases or instances of forced and/or child labour in our employee workforce.

Forced and/or Child Labour Risks Within Subcontracting

Subcontracting is a necessary part of many industries and providing security solutions is no exception. Risk is mitigated through internal and external policies and the use of third-party platforms; however, the following area was identified as having a possible exposure to child and/or forced labour.

- Low wage labour (janitorial or custodial services)

Forced and/or Child Labour Risks Within Procurement

Allied Universal understands that North America focused procurement does not preclude us from modern slavery practices which may exist at deeper levels of our supply chain which we do not have visibility over.

Supply chain analysis has identified the following areas with possible exposure to child and/or forced labour.

- Garments (Uniforms)
- Electronics (Technology Hardware)



POLICIES AND DUE DILIGENCE PROCESSES

Guiding Company Policies and Principles

North America Code of Ethics

Our North America Code of Ethics sets out core principles that provide a framework for our business decisions. All Allied Universal personnel are expected to conduct themselves in accordance with the Code and in compliance with all applicable laws in all circumstances.



Allied Universal Global Human Rights Policy

Human rights are the basic rights and freedoms that apply to everyone in the world, from birth to death. As a large-scale security and technology services provider, we must be vigilant when identifying human rights risks and violations, which can be complex and often hidden.

Human rights risks in our industry may include the unnecessary or illegal use of force, modern slavery, limitations on freedom of movement, mistreatment of detainees, criminal and sexual exploitation, and child labour.

At Allied Universal, we are committed to the respect of human rights and the continued development of an ethical and sustainable business model. Employees are directed to report if, in the course of their job duties, they witness any individuals engaged in violating the human rights of others. Vendors, suppliers, subcontractors and employees of third parties engaged in business with Allied Universal are encouraged to use the Allied Universal ethics hotline, Speak Out, to report any suspected human rights violations, including the use of forced and/or child labour.

Workforce Policy and Due Diligence

In partnership with Sterling BackCheck, Allied Universal conducts a thorough screening of all prospective employees, examining employment history, educational history, references and a criminal history check. The minimum timeframe processed is 5 years.

Having a reliable, vetted team is fundamental to ensuring we provide the highest standards of performance to our clients and customers. Engaging Sterling BackCheck, to perform essential due diligence, dramatically reduces exposure to any form of modern slavery, forced and/or child labour within Allied Universal.

In addition, within the structure of Allied Universal, is a Human Resources department committed to harmonizing the relationship between employer and employee. Our HR team are versed in, and in total compliance with Canadian federal and provincial employment standards, workplace health and safety requirements and ensuring equity and human rights are respected. Beyond national legislation, our HR team members and Allied Universal are committed to adherence and promotion of the International Labour Organization's (ILO) core conventions including the elimination of forced labour and abolition of child labour.

Subcontracting Policy and Due Diligence

Allied Universal pursues a responsible purchasing policy consistent with its business ethics, respect for fundamental worker rights, and environmental standards, all of which are key conditions for doing business with Allied Universal.

The Allied Universal U.S. and Canada Third-Party Anti-Bribery and Corruption Due Diligence Policy contains provisions that outline the procedure for ensuring all subcontractors are vetted appropriately before entering or renewing a contractual relationship with Allied Universal.

The nature and extent of third-party due diligence varies based on the circumstance. At a minimum, the due diligence process must be designed to yield information sufficient to identify the third party and validate that the third party: (i) is appropriately registered and licensed to do business in the relevant jurisdiction(s); (ii) is properly insured in light of the nature and value of the services it may render to Allied Universal or on its behalf; (iii) is in good financial health; (iv) meets Allied Universal's reputational expectations; and (v) agrees to disclose any interactions



with government officials and government entities it may have that are relevant to its relationship with Allied Universal.

Furthermore, enhanced due diligence is a requirement under the Allied Universal U.S. and Canada Third-Party Anti-Bribery and Corruption Due Diligence Policy, for higher risk subcontractors. After analysis of our subcontracting agreements for 2023, low wage labour subcontracting was identified as an area where there exists an elevated risk of forced and/or child labour. One area flagged was janitorial and custodial services performed in British Columbia and Yukon. These services are not a common business line, but supported our aviation screening services; offering COVID-19 risk and spread reduction through heightened cleanliness and sanitization. Subcontracted staff were operating airside and therefore subject to extensive background checks. Future services being conducted by subcontractors on behalf of Allied Universal, in a less regulated environment, may not have such thorough vetting protocols and that is where increased due diligence is required using all methods we have at our disposal.

To determine third party risk levels, including subcontractors, Allied Universal utilizes Navex RiskRate: Enterprise Due Diligence. This third-party platform allows for due diligence at onboarding, ensuring appropriate subcontractor engagement decisions can be made, based on risk profile. After onboarding, ongoing monitoring is performed and updated. This in-depth, real-time accumulation of data allows Allied Universal to hold suppliers, subcontractors and ultimately ourselves to account, ensuring that violations involving forced and/or child labour or any other environmental, ethical or social areas are identified, avoided and remedied where appropriate.

Procurement Policy and Due Diligence

Fundamentally, and as far as is possible, we only work with suppliers that our own customers would be prepared to trade with.

We avoid using companies, at home or overseas, that exploit labour, that disregard basic health and safety provisions or that avoidably damage the environment.

Allied Universal aims to maintain the highest levels of environmental responsibility. Key vendors are assessed for environmental issues and where commercially viable, our procurement choices favour products/vendors showing clear environmental advantages. Where appropriate we will make vendors aware of our environmental policies and concerns and we will endeavour to influence their environmental policies and practices where possible.

Similar to the assessment of subcontractors, vendors may be screened using Navex RiskRate: Enterprise Due Diligence. Informed data-driven decisions can be made regarding which vendors and suppliers we source from, at the onset of the relationship. This arrangement is then monitored to ensure continued compliance and an acceptable supplier risk profile.



PREVENTION AND REMEDIATION

Anti-Human Trafficking

This is a matter of great importance to Allied Universal. Due to the nature of the security industry and operations, we are in a unique, frontline position to identify cases of human trafficking and act.

Allied Universal security professionals are all trained to be observant to cases of human trafficking including labour trafficking for the purposes of bonded labour, forced labour or child labour. Employees are directed to report observed suspected trafficking related activities to their direct supervisor or the Allied Universal Speak Out hotline, as well as law enforcement authorities.

In addition, Allied Universal has partnered with The Teen Project¹ – a non-profit organization dedicated to providing healing and hope to young women who have survived human trafficking and homelessness.

Grievance Procedure and Whistleblowing

In line with Allied Universal's commitment to ethical operations and integrity, we encourage employees with knowledge of actual or suspected wrongdoing to speak out. This includes any such wrongdoing in procurement and the supply chain.

“Speak Out” is our confidential ethics and whistleblowing platform.

Speak Out provides a centralized system for intake and management of employee concerns relating to violations of our Code of Ethics, threats of violence, harassment and discrimination, health and safety risks, and breaches of the law and company policies.

Any employee, subcontractor or third party can use the Speak Out system, anonymously, in confidence, in multiple languages, and at any time of the day or night.

Speak Out is promoted to employees and third parties at onboarding, as well as through employee handbooks, policy materials, posters, newsletters and many other channels. All matters reported are reviewed and evaluated to determine appropriate handling. Serious concerns are investigated or overseen at a senior and independent level. Where appropriate, a root cause analysis is undertaken, and we develop and implement corrective and remedial actions resulting from the investigation

¹ www.theteenproject.com

Remediation of Loss of Income

To date, including fiscal year 2023, we have not identified any loss of income to vulnerable families resulting from measures taken to eliminate the use of forced labour in our activities and supply chains.

TRAINING

All managers are required to complete a robust training programme which educates and explains Allied Universal's environmental, social and governance initiatives and policy regarding responsible business conduct.

Training items that relate to the identifying and avoidance of forced and/or child labour include a thorough course on ethics and conduct that teaches the participant how to recognize ethical violations and what procedures exist for handling them.

In addition, participants are required to attend and complete the North America Code of Ethics and Business Conduct Guidelines Annual Refresher. This annual course reinforces the content and previous learning, ensuring managers are equipped to recognize and act on ethical violations in the supply chain and across the business in general.

ASSESSING EFFECTIVENESS

Frequent, internal procurement operations and policy reviews are conducted to ensure ethical procurement and subcontracting. These reviews include analysis of Navex RiskRate:Enterprise Due Diligence data related to the screening and monitoring of suppliers. This data provides a crucial insight into the operations of our suppliers including the identification of any form of modern slavery. During procurement and subcontractor review, effectiveness can be measured through examining the supplier cross-section and ensuring we are not in business with those who utilize forced and/or child labour.

CONCLUSION

Allied Universal is committed to preventing child and/or forced labour from taking place in our businesses and in our supply chains. We will continue to review our policies, procedures and practices frequently to identify improvements and enhancements we can make to help prevent child and/or forced labour or any other form of modern slavery and ethical violations in our supply chain.

ATTESTATION

Attestation pursuant to section 11(5) of the *Fighting Against Forced Labour and Child Labour in Supply Chains Act* and in accordance with the requirements of the *Fighting Against Forced Labour and Child Labour in Supply Chains Act*, and in particular section 11 thereof, I attest that I have reviewed the information contained in the report for the entity subject to *the Fighting Against Forced Labour and Child Labour in Supply Chains Act* and 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.

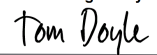
Signed by:

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I have the authority to bind the corporation.

Darren Pedersen
President, Canada

DocuSigned by:

C1B81DFCDA2D4A5/30/2024

I have the authority to bind the corporation.

Tom Doyle
Senior Director, Officer