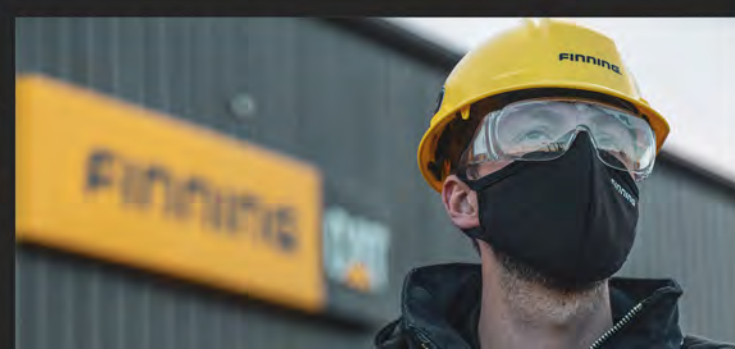


2020

FINNING SUSTAINABILITY REPORT

BUILDING AND POWERING
A BETTER WORLD



CEO LETTER

TO OUR STAKEHOLDERS:

The job of building and powering a better world does not stop despite the challenges brought by COVID-19. In 2020, we supported our customers as they kept the world moving by building infrastructure, mining commodities, providing energy for homes and businesses, providing power for hospitals and data centres, and maintaining clean water and sewer systems. Our services, defined as essential by governments, meant we provided the critical service and maintenance support our customers needed when and where they needed it.

This year, we learned that no matter how prepared we are, nothing can replace adaptability and resilience. Our team showed agility and an incredible ability to pivot as we adapted to COVID-19 challenges, and we ended the year with an 85% employee engagement score – an increase over 2019, a 10% increase in customer loyalty when compared to 2019, and \$870 million in free cash flow. In these uncertain times, we focused on what we could control, seeking ways to be more efficient and effective through cost reductions and focused capital investment, and ultimately having to make the difficult decision to reduce our workforce, although government programs enabled us to keep this reduction to a minimum. Despite these tough choices, dealing with this crisis taught us important lessons about how to deal with future challenges that may emerge, such as extreme weather events and supply chain disruptions. We feel empowered to move forward and prepared to take on new challenges.



Photo taken prior to COVID restrictions.

We keep moving, safely and inclusively. Our people make our business possible and keeping them safe is our highest priority. We established procedures to prevent the spread of COVID-19 without losing sight of the need to prevent safety incidents. We ensured resources and support were available for employees to be aware of and manage their own mental health and that of their colleagues. We were fortunate that all of our employees who contracted COVID-19 in 2020 recovered well and returned to work, but we are saddened that we lost one employee in Bolivia to COVID-19 earlier this year. In spite of the challenges of 2020, we are proud that we reduced our total injury frequency by 35% from 2019. We also confirmed that inclusion is the glue that keeps us together and makes us feel valued and part of the team. We adopted a global respect, inclusion and diversity policy, focused on making Finning a respectful, inclusive and harassment-free workplace and, as a further testament to our values, I joined 200 other CEOs in taking a [stand against racism](#). Our team is capable and resilient, and we have redefined what it means to work together, from anywhere.

We keep moving towards a cleaner future. We know from the past year that we are capable of change at a faster pace than we thought. We also know that climate and environmental protection cannot take a backseat. That’s why we have set a target to reduce our absolute GHG emissions by 20% by 2027 (from a 2017 baseline) and have started to analyze our climate-related risks and opportunities in alignment with the recommendations by the Task Force on Climate-related Financial Disclosures. We are also evaluating how different decarbonization scenarios can impact our business strategy and will evolve our disclosure as we deepen our understanding. So far, we have reduced our emissions by an estimated 10% from 2017 and we are already innovating to support a lower carbon economy by helping customers replace diesel with cleaner-burning natural gas or electric equipment and turn biowaste into electricity. We are finding new internal efficiencies like redefining how we deliver our parts by using self-serve mailboxes (drop boxes). We are also contributing to the circular economy by extending the life of machines through remanufacturing. I am proud of all that we have accomplished so far but even more excited about all the innovative solutions we will develop in the next few years.

We keep moving by leveraging technology. At the start of the pandemic, our administrative teams had to move from the office to working from home almost overnight and our front-line teams adapted quickly to a new reality at our sites, with new protocols, new procedures and new ways of staying connected. We were able to do this without disruption, one of the many ways our

investments in technologies are paying off. We continue to leverage our self-serve portal, my.finning.com, and find ways to use remote technology, such as virtual inspections, to keep our customers safe. We deliver fuel to customers through our contactless service, 4Refuel. And we delivered more than 68,000 hours of virtual training to our employees through our online learning management system.

We keep moving by investing in the next generation. Although we had to modify many of our programs, we were successful in graduating apprentices across all our regions. Investing in skilled talent is investing in a path to recovery. Our South America training centre, in collaboration with local governments and NGOs, provided training to more than 1,000 people in Chile to foster employability in a critical time. We engaged more than 100,000 youth through STEM partnerships.

Just like Earl Finning had the vision to see past the Great Depression and bought a Caterpillar® dealership in Vancouver, Canada in 1933, we can see a bright future ahead. We have never been clearer about our company’s purpose to build and power a better world. We will do this by enabling cleaner power solutions, working towards a more inclusive society, and using technology to bring us closer. Together, we will keep moving.

L. Scott Thomson
President and Chief Executive Officer

ABOUT FINNING

Finning, the world's largest Caterpillar dealer, has been delivering unrivaled service for nearly nine decades. We sell, rent, and provide parts and service for equipment and engines to help customers in a wide range of industries maximize their productivity.






Since 1933, when Finning was founded in Vancouver, Canada by Earl B. Finning, our name has conveyed integrity, reliability and resourcefulness. Over the years, the company has grown as a result of a genuine commitment to earning customer loyalty.

With our broad product support infrastructure and exceptional service capabilities, we deliver solutions that enable customers to lower their overall cost of ownership while maximizing productivity.

Finning is headquartered in Vancouver, BC and operates in three regions: Western Canada, South America (Chile, Argentina, Bolivia, Uruguay) and the United Kingdom (UK) and Ireland. 4Refuel, our industrial refuelling service acquired in 2019, operates across Canada and in Texas in the United States. Finning is traded on the Toronto Stock Exchange under the symbol **FTT**.

CUSTOMERS

OUR CUSTOMERS WORK IN:

<p>OIL & GAS</p> 	<p>CONSTRUCTION</p> 
<p>FORESTRY</p> 	<p>MINING</p> 
<p>POWER GENERATION</p> 	<p>GOVERNMENT</p> 

FINNING

<p>200+</p> <p>LOCATIONS</p>	<p>11,952</p> <p>EMPLOYEES</p>	<p>8</p> <p>COUNTRIES</p>
-------------------------------------	---------------------------------------	----------------------------------

2,500+ SERVICE VEHICLES, PICKUP TRUCKS & OTHER SMALL VEHICLES



SUPPLY CHAIN



OUR LARGEST SUPPLIER AND PARTNER

8K+

SUPPLIERS AND CONTRACTORS WORLDWIDE

PRODUCT SUPPORT
60%

FUEL & OTHER
2%

EQUIPMENT RENTALS & USED EQUIPMENT
9%

NEW EQUIPMENT
29%

\$5.8

BILLION NET REVENUE

All figures as of December 31, 2020. Data includes 4Refuel.

SUSTAINABILITY AT FINNING

OUR APPROACH TO SUSTAINABILITY

Our approach to sustainability is centered around:

Strong guidance and oversight: Aligning our team towards the same goals requires clear direction and governance. Finning’s Board of Directors oversees our sustainability efforts at the highest level. Our global [Sustainability Policy](#) states our expectations and our Sustainability Roadmap provides strategic direction that is implemented by our global sustainability committee. See details about our sustainability governance [here](#).

Focusing on what matters most: We invest our time and resources in managing 13 sustainability topics that represent the most important impacts, risks, and opportunities for our business. See [page 5](#) for details.

Providing decision-useful sustainability information: Since 2017, we have been reporting this information in alignment with GRI (Global Reporting Initiative). In 2020, we aligned our disclosures with the Sustainability Accounting Standards Board (SASB). We are also evolving how climate-related risks and opportunities are disclosed. As a first step, we aligned our sustainability report with some of the requirements of the Task Force on Climate-related Financial Disclosures (TCFD). See Appendix on [page 44](#) for details. We will continue working to achieve full alignment in the coming years.

SUSTAINABILITY ROADMAP HIGHLIGHTS



PEOPLE

FOCUS AREA (2018-2023)

Reduce significant incidents and injuries year-over-year

EXAMPLES OF OUR PERFORMANCE

35% reduction in total injury frequency from 2019 to 2020



ENVIRONMENT

Monitor, manage and reduce our GHG emissions

10% estimated reduction in scope 1 and 2 emissions from 2017 to 2020



PRODUCTS

Continue our focus on data connectivity and providing insights to our customers to improve their efficiency

70% connected assets



COMMUNITIES

Refine our Community Investment Strategy

87 STEM-related hours volunteered by employees in 2020



ETHICS & GOVERNANCE

Develop enhanced online ethics training and train employees

89% employees completed ethics training in 2020

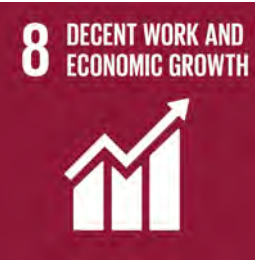








Setting sustainability objectives and reporting our progress against them is one of the ways we demonstrate accountability. Our five-year Sustainability Roadmap outlines our sustainability goals and drives improvement across our company. In 2020, we made progress in each of our focus areas.

(For the full roadmap and details on our progress, click [here](#))

MATERIALITY ASSESSMENT

In a sustainability context, material topics are environmental, social and governance topics that can have a significant impact on our business success and that are of interest to our stakeholders. To define material topics, we assess changes to our business, recent sustainability trends, the expectations of our employees, customers, and other stakeholders, and societal influences.

The topics from our 2019 materiality assessment remain relevant. We include additional content on cybersecurity and business continuity to broaden disclosure in areas that are relevant for our company and to our stakeholders. This report also includes our response to the unprecedented events brought on by the COVID-19 pandemic and its effect on our employees, customers, and local communities. We plan to review our material topics regularly to ensure they reflect stakeholder expectations and the changing business environment. Finning's material sustainability topics are defined on the following page.

IN OUR OWN OPERATIONS			IN PARTNERSHIP WITH OUR STAKEHOLDERS		
 <p>8 DECENT WORK AND ECONOMIC GROWTH</p>	 <p>5 GENDER EQUALITY</p>	Maintaining a safe and inclusive workplace	 <p>7 AFFORDABLE AND CLEAN ENERGY</p>	 <p>9 INDUSTRY, INNOVATION AND INFRASTRUCTURE</p>	Providing equipment for energy solutions that foster affordable, reliable, and cleaner energy
 <p>4 QUALITY EDUCATION</p>	Promoting science, technology, engineering and math (STEM) education and helping to develop STEM skills development		 <p>12 RESPONSIBLE CONSUMPTION AND PRODUCTION</p>	 <p>13 CLIMATE ACTION</p>	Enabling vehicle and fleet optimization to reduce GHG emissions on a larger scale
 <p>12 RESPONSIBLE CONSUMPTION AND PRODUCTION</p>	Reducing, reusing and recycling from our operations and extending the life of equipment through remanufacturing and component exchange		 <p>11 SUSTAINABLE CITIES AND COMMUNITIES</p>	Providing technical support and equipment for infrastructure solutions that improve access to basic services, transportation and jobs and raise the standard of living in communities	
 <p>13 CLIMATE ACTION</p>	Reducing our greenhouse gas (GHG) emissions		<p>ALIGNING WITH THE UNITED NATIONS SUSTAINABLE DEVELOPMENT GOALS</p> <p>Finning's purpose is to partner and innovate to build and power a better world. We believe a better world is one where we all collaborate to protect people and the environment, reduce inequality, and ensure prosperity for all. We continue to support and contribute toward achieving the UN Sustainable Development Goals¹ (SDGs). Our international presence makes us keenly aware of global challenges, and our position in the value chain between suppliers and customers amplifies our opportunity to drive meaningful change. Although Finning indirectly contributes towards achieving all of the goals, throughout this report we identify the SDGs that are directly supported by Finning activities.</p>		
 <p>17 PARTNERSHIPS FOR THE GOALS</p>	Investing in technology and training				

¹The UN Sustainable Development Goals are 17 global goals set by the United Nations General Assembly to be achieved by 2030. <https://sustainabledevelopment.un.org/sdgs>

REPORTING SCOPE

- The terms “Finning”, “our”, “we”, “us”, “the company”, and “the organization” refer to Finning International Inc. and its subsidiaries, as a whole.
- This report describes initiatives related to our material sustainability topics and supporting metrics for the year ended December 31, 2020. When available, additional periods of historical data are provided for reference.
- Financial, operational, environmental, safety and human resources metrics for the 4Refuel business (acquired in 2019) are provided separately on [page 41](#) with a qualitative discussion on pages 28 to 30.
- Financial data is in Canadian dollars and environmental data is in metric units.
- Safety data includes Finning employees and contractors.
- Senior management and relevant employees have reviewed the information in this report and believe it is an accurate representation of our performance.
- The metrics included in this report are not externally assured.

FRAMEWORK ALIGNMENT



This report has been prepared in accordance with the Global Reporting Initiative (GRI) Standards: Core option. The GRI index is on [page 49](#).



We mapped our disclosures to the Sustainability Accounting Standards Board (SASB) requirements for the industry that most closely reflects our business: Industrial Machinery & Goods. The SASB index is on [page 48](#).



Items aligned with the Task Force on Climate-related Financial Disclosures (TCFD) can be found on [page 44](#).

MATERIAL TOPIC	WHY IS THIS TOPIC RELEVANT TO FINNING?
SAFETY AND HEALTH	Keeping our workers safe and healthy is a core business value. Safety is a fundamental expectation of our employees, their families and the communities where we operate. There is also a correlation between a solid safety culture and productivity.
INCLUSION AND DIVERSITY	An inclusive and diverse workplace makes our employees feel safe, engaged, and valued, with a sense of belonging at Finning. Inclusive teams with diverse people are more collaborative, creative, and innovative, leading to a stronger company and better performance for our customers.
EMPLOYEE AND LEADERSHIP DEVELOPMENT	We are committed to ongoing training and development of our workforce. Our strategic partner, Caterpillar, and our customers, expect us to have specialized expertise and knowledge. Talent is our competitive advantage, and ultimately, our people are what set us apart.
LABOUR RELATIONS	Approximately 69% of our employees are covered by collective bargaining agreements. Ensuring positive and productive relationships with the unions that represent them is essential for us to deliver our products and services.
GHG EMISSIONS AND ENERGY USE	GHG emissions and climate change are key concerns for Finning and our external stakeholders, including investors, customers, employees and society.
WASTE MANAGEMENT	Given the strong local and global interest in reducing waste, as the world’s largest Caterpillar dealer, we are able to reuse and divert large volumes of waste from the landfill.
SPILLS AND WASTEWATER	Water is a finite resource that we share with our communities. By protecting water quality, we help protect the availability of this shared resource.
CUSTOMER SAFETY	Customer safety is critical for Finning and is essential to maintaining the trust of our customers.
CUSTOMER PERFORMANCE AND LOYALTY	Shareholders and customers make significant investments in Finning and expect reliable and consistent performance in return. Satisfied and loyal customers sustain our business.
PRODUCT STEWARDSHIP	Helping our customers reduce their environmental impact and increase productivity contributes to effective partnerships and customer loyalty.
RESPONSIBLE SUPPLY CHAIN	Ensuring that our suppliers share Finning’s values and uphold our standards reduces risk and contributes to environmental and social protection around the world.
COMMUNITY INVESTMENT	Our central philanthropic focus is youth-focused STEM education because we believe that technical skills can help society solve environmental and societal challenges. STEM careers enable individuals to raise their standard of living and meaningfully contribute to their communities. For Finning, STEM-trained professionals are essential to achieving our purpose and vision.
ETHICS AND GOVERNANCE	Our rigorous standards of business conduct are a key reason why employees work for us, customers and suppliers partner with us, and shareholders invest in us. We believe that ethics and high governance standards are essential to operate effectively and enhance shareholder value, and to be a trusted business partner and community member.



PEOPLE

2020 HIGHLIGHTS

- 35% reduction in total injury frequency compared to 2019
- Rolled out our global Respect, Inclusion, and Diversity Policy
- 90% of senior and middle level leaders completed Building Respectful Teams training
- 100% of executives established a goal to ensure diverse and inclusive teams

PEOPLE



RELATED SDGS

In 2020, the COVID-19 pandemic presented an extraordinary challenge for businesses and people around the globe and brought unprecedented change to our workforce and the nature of our work. Despite these changes and challenges, we remained focused on ensuring the safety and health of our employees, meaningfully including and engaging people with diverse talents and perspectives and providing opportunities for learning and growth.

PREVENTING AND RESPONDING TO COVID-19

COVID-19 posed a serious health risk to our employees and we took essential steps to prevent the spread and mitigate the impact of any cases. We protected the health of our employees from COVID-19 by:

PROTECTING THOSE WHO MUST REMAIN AT WORK

During the most stringent weeks of the global lockdown, Finning's front-line employees who were operating or maintaining equipment for essential service customers were also deemed essential and continued to work. We put extensive protocols in place to ensure their safety on the job. We have implemented COVID-19 prevention activities to protect employees working at Finning and customer sites including:

- **Testing:** In areas with the highest infection rates, we conducted preventive testing to identify and isolate asymptomatic employees and to protect other workers and their families.
- **Maintaining safe workspaces:** We limited access to facilities, increased the frequency of cleaning and disinfection, and installed barriers or redesigned workspaces to appropriately distance employees.
- **Protecting employees at Finning sites:** Employees have been required to complete daily symptom checks, practice social distancing, wear appropriate protective equipment, wash their hands frequently, and sanitize work areas. We modified shift patterns for employees and service and processes at cafeterias to ensure proper distance.
- **Protecting employees while traveling:** In cases where employees needed to travel to customer sites by bus or plane, we implemented mitigation measures related to protective personal equipment, sanitization, and proper distancing.
- **Protecting employees at customer sites:** We worked closely with our customers to ensure we complied with their safety procedures. Our employees were also required to adhere to Finning's COVID-19 safety protocols and were equipped with protective equipment for use while at customer sites.

LIMITING EXPOSURE BY IMPLEMENTING WORK FROM HOME

To reduce density and allow for more effective social distancing at Finning facilities and sites, many employees who work in offices or in non-operational roles switched to working from home. In locations with high infection rates, and in line with guidance from health authorities, employees considered high risk were requested to work from home where possible, or to stop working and isolate at home.

PROVIDING TRAINING AND DELIVERING UPDATED INFORMATION WE NEED TO STAY SAFE

Information about COVID-19 evolved during the course of the year. We updated our communications to employees, customers and community members based on the latest research and government guidelines. All employees were required to complete our online COVID-19 at Finning course on how to prevent transmission at work and at home and respond to symptomatic or presumptive cases. This training was reinforced during toolbox safety talks and ongoing communication through our global intranet, Traction.

TRACKING AND RESPONDING TO CASES

We implemented protocols for tracking and responding to presumptive or confirmed COVID-19 cases. Protocols included how to respond to reported symptoms and appropriate isolation and transportation measures for employees working remotely or on site.

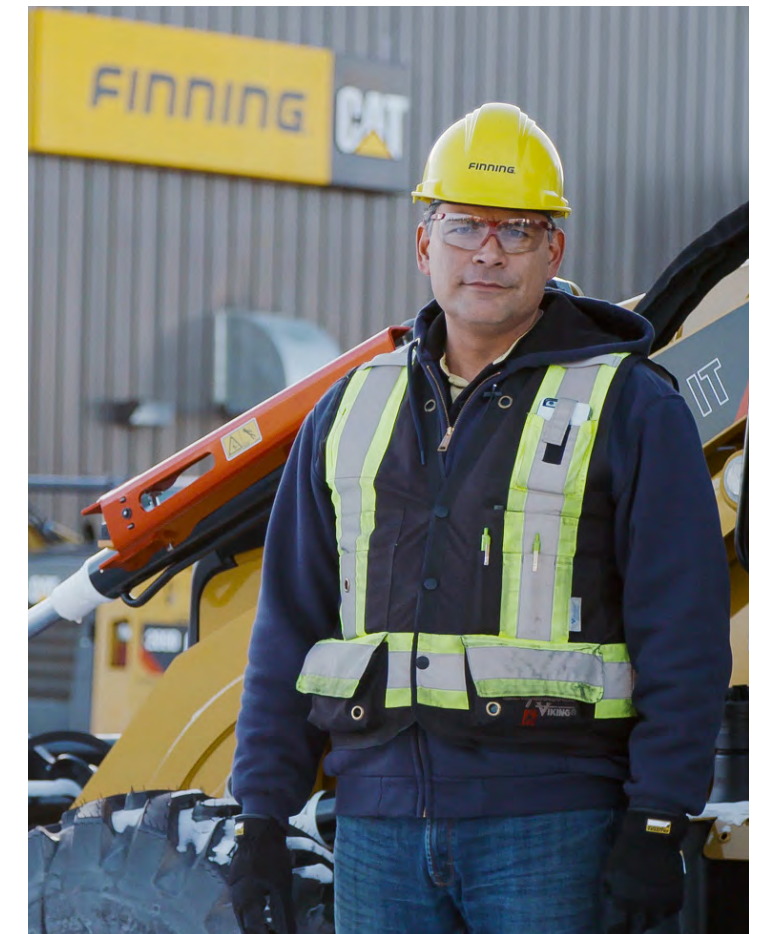


Photo taken prior to COVID restrictions.

REMAINING NIMBLE AS WORKFORCE RE-ENTRY EVOLVED

As restrictions and guidance evolve, our regions remain flexible on how to manage re-entry to the workplace. We follow current government and health authority guidelines to ensure that our employees, contractors, and customers can conduct their activities in a safe environment.

SUPPORTING OUR EMPLOYEES THROUGH COVID-19

We remain, at our core, a people business, and have found new ways to get our work done, to connect with each other, and to keep each other safe.

TRANSITIONING TO WORK FROM HOME

By April 2020, approximately 50% of our employees were working from home. Our employees showed tremendous adaptability, and we continued delivering our products and services without interruption or information loss (read about cybersecurity on [page 36](#)). To support this transition, we released our How to Work from Home online course, provided additional IT support, and created on-demand training for digital collaboration tools.

LEVERAGING COMMUNICATION TECHNOLOGIES

We have been collaborating through multiple channels including Microsoft Teams™, our learning and human resource management system, and Traction (our intranet). Leaders and employees use Traction to share important information about COVID-19 including:

- Global and regional COVID-19 resource pages with self-assessment and isolation protocols, pay options, details on leaves/furloughs, workshare guidance, customer and supplier communications, and updates from governments and health authorities.
- Q&A for COVID-19 related questions.
- Customized alerts for urgent content.

NAVIGATING WORKFORCE CHANGES

In response to the COVID-related reductions in market demand, we reduced our operational costs and our workforce. Finning benefited from government support

programs in all three regions. For example, support from the Canadian Emergency Wage Subsidy (CEWS) program allowed us to preserve over 500 jobs during 2020. We have rehired over 100 technicians since June 2020 as market activity improved. To lead by example, Finning executives voluntarily reduced their salaries: the CEO by 20%, the Finning Leadership Team by 12%, and all other executives by 7%. To minimize the number of layoffs, we engaged employees and unions to offer alternatives such as reduced work weeks, leaves/furloughs and 5% wage roll-backs.

FOCUSING ON MENTAL HEALTH

We prioritized mental health support in 2020 and provided our leaders with specialized training and resources including:

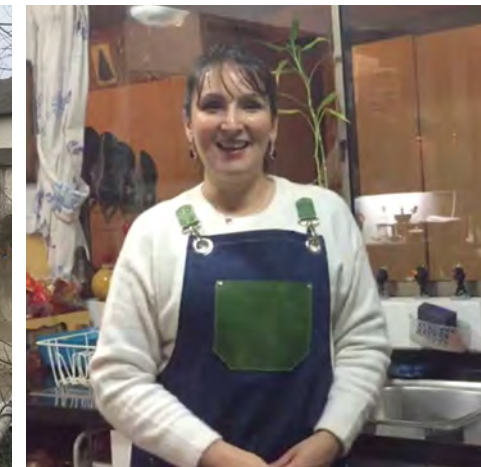
- **Leading Through COVID-19:** A global resource guide on leading during a crisis. The articles and videos provide expert advice on topics such as adaptive leadership, increasing empathy, staying focused and balancing work and kids at home, managing anxiety, and increasing mindfulness and positive thinking. These resources are made available through Traction, where we saw 6500-7000 visits daily from our workforce.
- **Leading Virtual Teams:** This live webinar was attended by leaders across the company. The training involved sharing best practices on how to keep teams motivated, strengthen communication, enhance a collaboration mindset, and set clear expectations for teams that are working remotely.
- **Personal and Team Wellbeing:** This live webinar was attended by 116 leaders in South America. The training involved learning about managing uncertainty and stress, thinking about wellbeing holistically, fostering personal wellbeing, and supporting the wellbeing of their team.

STAYING CONNECTED: SUPPORTING EACH OTHER DURING CHALLENGING TIMES



VOLUNTEERING DURING A CRISIS IN CANADA

In April 2020, Fort McMurray in Alberta was managing the COVID-19 pandemic and a significant natural disaster at the same time. A 24-kilometre ice jam on the Athabasca River caused flood levels not seen since the 1970s. Finning employees found ways to support each other and their community by filling sandbags to help save a local park and helping to evacuate residents by boat from their flooded neighbourhoods. Finning also donated the use of equipment including a loader, excavator and two dewatering pumps, as well as operator time.



SUPPORT FOR EMPLOYEES AND FAMILIES IN SOUTH AMERICA

During the COVID-19 lockdown, employees created a website with entertainment and activity ideas for the whole family. Employees shared videos demonstrating their hobbies, skills, and other ideas for their colleagues, including recipe demonstrations, how to cut hair, and games to play with children. The website was updated weekly.

This site also provided valuable resources to support mental wellbeing for employees.



ACTS OF KINDNESS IN UK AND IRELAND

Employees built a community support page on Traction where they could post stories about acts of kindness in their communities and coordinate community support efforts during the COVID-19 lockdown. Examples included a furloughed Glasgow employee who spent five weeks volunteering to collect and deliver medical supplies to a local Derbyshire hospital, and a family that adapted hundreds of medical gowns for a County Kildare hospital, lengthening them to meet safety regulations.

SAFETY

The safety and health of our employees remains our top priority and a core value. We believe that workplace injuries are preventable and that nothing is more important than making sure our people go home safe and healthy to their families at the end of every shift.

KEEPING SIGNIFICANT INJURIES TOP OF MIND

The implementation of critical safety standards remains essential in preventing significant injuries that have the potential to result in life-altering injuries. We continued to deliver regular, virtual refresher training throughout 2020 on the following critical areas:

TRAINING	# OF EMPLOYEES
LIFESAVING RULES	4,348
ENERGY ISOLATION	6,053
LIFTING & HOISTING	1,747
LINE OF FIRE	5,697

ACCELERATING THE ADOPTION OF TECHNOLOGY

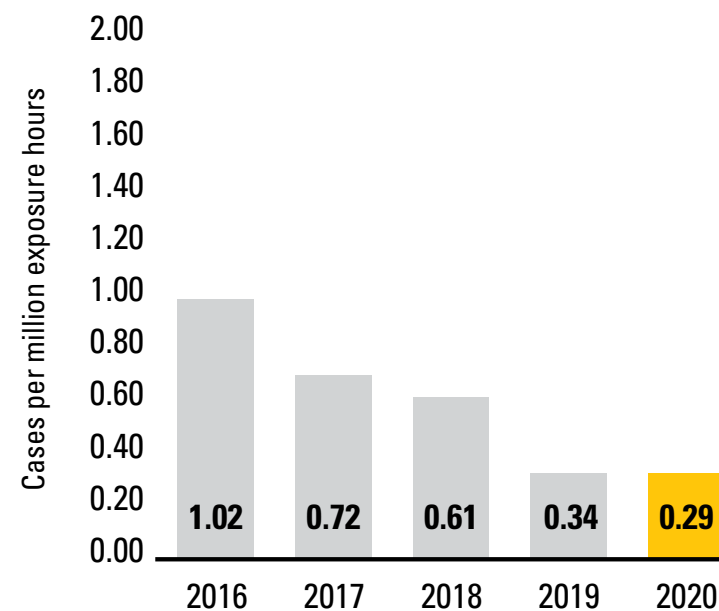
As we adapted to new ways of working, we leveraged our investments in digital technologies to help continue our safety programs.

Hazard assessments: All employees must identify and record hazards before they start a task or job. A significant number of job hazard assessments are now completed digitally using our own Electronic Job Hazard Assessment tool.

Audits: We conduct regular safety audits to verify compliance with our critical standards and identify high-potential hazards for mitigation. In 2020, we developed a digital audit tool to increase the effectiveness and efficiency of these audits.

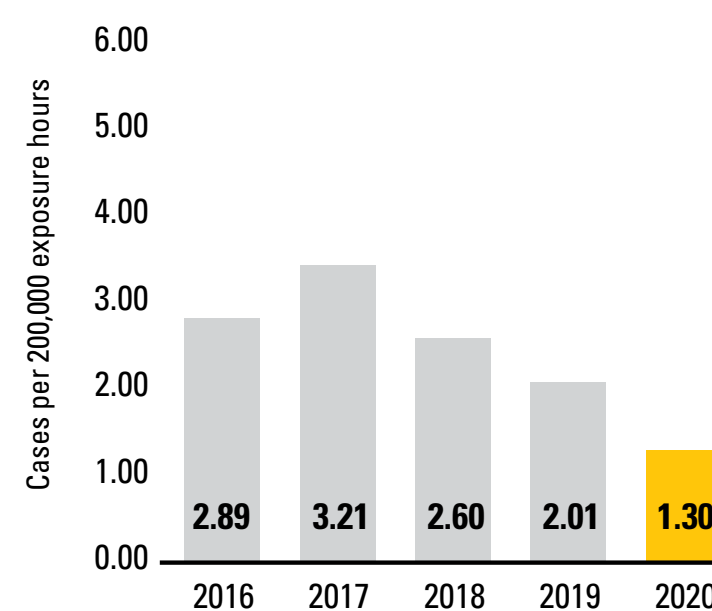


SIGNIFICANT INCIDENT FREQUENCY (SIF)



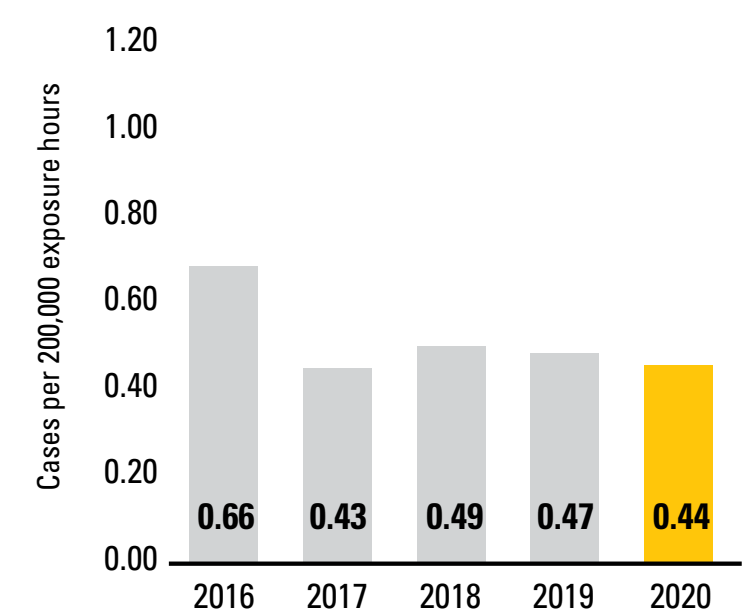
Significant Incident Frequency (SIF) - includes the total number of significant safety and vehicle incidents as defined by severity.

TOTAL INJURY FREQUENCY (TIF)



Total Injury Frequency (TIF) - includes First Aids, Medical Treatment Cases (MTCs); Restricted Workday Cases (RWCs) and Lost Time Injury Incidents (LTIs).

TOTAL RECORDABLE INJURY FREQUENCY (TRIF)



Total Recordable Injuries Frequency (TRIF) - includes Medical Treatment Cases (MTCs); Restricted Workday Cases (RWCs) and Lost Time Injury Incidents (LTIs).

INCLUSION AND DIVERSITY

We are committed to ensuring everyone at Finning feels safe, valued, and a sense of belonging regardless of any difference, including gender identity or expression, ethnicity, religion, age, sexual orientation, or physical or mental ability.

BUILDING A GLOBAL CULTURE OF INCLUSION AND RESPECT

In 2020, we continued to foster a more inclusive culture at Finning through the following activities:

- We rolled out a global Respect, Inclusion, and Diversity Policy. This policy applies to all employees and contractors and sets our expectations for positive inclusive and respectful behaviours and our hard-line expectations against acts of violence, discrimination, and harassment.
- Our CEO, Scott Thomson, and more than 200 other CEOs, signed a statement taking a stand against racism, as part of our work with the Business Council of British Columbia and the Canadian Business Council.
- 77% of employees have completed our mandatory Standing Up for Respect training, which aims to prevent harassment and empower employees to identify and respond appropriately to inappropriate behaviours. This training is part of our onboarding process. We continued our enhanced training course for leaders, Building Respectful Teams, with over 85% of senior and middle level leaders completing the training by December 31, 2020.
- Throughout the COVID-19 crisis, we worked to ensure gender balance in our workforce management decisions as well as deployed virtual learning to leaders on how to lead remote teams inclusively.

5

8



In our 2020 annual Finning employee experience survey, we scored 9pts above the Inclusive Culture global high performing company norm and 17pts above the construction industry norm.

CREATING SPACES FOR INCLUSION

We formalized the role of Allies for Inclusion at Finning and created an online community, through our intranet, Traction. The online forum provides a place to engage, educate and empower employees to challenge assumptions and behaviours that can lead to prejudice and exclusion. Beyond the forum, Allies for Inclusion partner with leaders and HR teams to co-deliver training, facilitate Culture Conversations, and provide reciprocal mentoring to leaders as we work to build organization-wide capability. Allies for Inclusion has more than 675 members who are passionate about inclusion.

Additionally, we delivered four virtual, instructor-led 60-minute training sessions called “Different Like Me” and “Stand by Me”. The sessions were held in both

English and Spanish and taught employees about allyship behavior such as valuing variety, judging wisely, stepping up, and forbidding and forgiving.

In honour of Pride month in June and in response to Black Lives Matter, we updated the Finning logo and invited employees to use this logo in their email signatures year-round to demonstrate their commitment as allies for inclusion.

As a supporter of Catalyst, our employees have access to a wealth of resources, webinars, and tools to empower them to share and apply learnings with their teams and accelerate culture change.

WOMEN IN LEADERSHIP ROLES (PERCENT)

BOARD	2019	33	
	2020	33	
EXECUTIVE	2019	24	
	2020	21	
SENIOR LEVEL LEADERS	2019	30	
	2020	31	
MID-LEVEL LEADERS	2019	22	
	2020	21	
FRONT LEVEL LEADERS	2019	15	
	2020	16	

PROMOTING INCLUSION IN OUR REGIONS

We believe an inclusive workplace is a stronger workplace. We actively foster an atmosphere of mutual respect across our regions create space to amplify voices of underrepresented talent so that we can collaborate to resolve inequities or barriers to respect and inclusion.



GENDER EQUITY

We are committed to eliminating gender bias in our recruitment, performance, compensation, and development practices.

In South America, our Santiago Branch **aligned their hiring practices with a voluntary Chilean Standard (3262)** that aims to eradicate gender inequality in the workplace.

We have worked hard to close any gender pay gaps that exist. Through regular monitoring of pay in each region, we ensure **the initiatives implemented support a gender neutral approach to compensation** and are aligned with our pay for performance philosophy.



WOMEN IN NON-TRADITIONAL ROLES

Chile’s public-private Women in Mining roundtable meets with mining companies and governments with the goal of fostering a more gender inclusive mining industry. This year, we contributed to a report that will inform targeted training to **lead to more core roles being filled by women.**

Canada’s Women Building Futures program offers training and affordable housing for women entering the industries we serve. In 2020, **we hired four women from the program and extended the fifth’s rotation with us to ensure they remained employed** despite the COVID economic downturn and drop in oil prices.



GENDER IDENTITY, EXPRESSION, SEXUAL ORIENTATION

Guided by our partner, Pride at Work Canada, **employees in the LGBTQ+ community shared their experiences**, identified barriers to LGBTQ+ inclusion and formed a LGBTQ+ employee-centered network.

In Chile, Finning received an “A Company” score – **the top recognition – by Pride Connection for our LGBTQ+ inclusion practices.** We have been invited to mentor other companies in Chile.



BROADENING INCLUSION

In Canada, **we introduced our Indigenous Guiding Principles**, which outline how we engage with Indigenous individuals, businesses, and communities.

We were awarded Gold Status from the UK Ministry of Defense for our work to **recruit and hire former military personnel.** We currently employ 27 military veterans and two reservists in our UK and Ireland operations.

EMPLOYEE AND LEADERSHIP DEVELOPMENT

2020 was a year of knowledge development and adaptive thinking for everyone at Finning. We learned to work together and solve challenges in new, often virtual, ways as we navigated the pandemic, adapting our programs to continue delivering the same level of training to our employees.

MOVING LEARNING ONLINE

The emergence of COVID-19 accelerated the work we had begun to shift our training courses online. Courses include professional development, leadership, inclusion and diversity, sales, health and safety, and technical theory. Virtual learning and development on our online platform made training more accessible while many of our employees worked from home. In 2020, our employees completed more than 79,239 courses in the platform.

CONTINUING TO DEVELOP TECHNICAL EXPERTISE

Technical training, including ongoing foundational and product-specific courses, remained a priority through the year. After pausing in-person technical training for safety reasons due to COVID-19, all regions resumed some in-person sessions, ensuring appropriate COVID-19 protocols were in place, and replaced others with virtual sessions. We remain prepared to pause in-person training in alignment with recommendations from local health authorities.

ENHANCING SALES TRAINING

Finning's sales employees are our first opportunity to earn our customers' trust and loyalty. In 2020, sales employees were asked to complete a self-assessment against a set of CAT-recommended sales competencies. Based on the results, we designed a tailored training program to close gaps. We began delivering a combination of virtual/webinar and in-person learning to sales employees and leaders across the organization in 2020.

TRAINING LEADERS AT ALL LEVELS

In 2020, middle and senior-level leaders at Finning continued through our Power to Lead training program, which empowers leaders to execute our strategy and deliver on performance objectives. In 2021, we will start offering our Powering Up program to 1,800 front-level leaders. Powering Up is designed to support the transition of front-level workers into leadership roles.



Photo taken prior to COVID restrictions.

APPRENTICESHIPS: INVESTING IN THE FUTURE WORKFORCE

Our apprenticeship programs ensure we have access to a talent pool of skilled personnel with hands-on experience and advanced technical knowledge of Caterpillar equipment. All of our technical apprenticeship programs are aligned with Caterpillar requirements and are adapted to meet the local business requirements in each region.

Our Canadian apprenticeship program, Think Big, is a partnership between Finning, Caterpillar and Grande Prairie Regional College. In 2020, 36 new students started, and 32 apprentices graduated from this 20-month diploma-based program. We typically hire all graduating apprentices, but we had to stagger and reduce hiring in 2020 due to reductions in market demand. We hired 20% of graduates by year-end.

In South America, we began supporting Caterpillar in the delivery of its Technicians for Latin America free training program in 2020. The curriculum includes 18 virtual courses that can be completed in three to six months. Students can then become service technicians in the automotive, trucking or heavy equipment industries. Finning provides additional technical training to all students who complete the CAT foundational courses. In Argentina, we supported 148 students in this course throughout 2020.

We continued training apprentice mechanics and equipment operators at our Finning Instruccion Tecnica (FIT) in Antofagasta, Chile. In 2020, FIT provided 46,589 hours of training to 2,493 Finning apprentices and employees.

Our UK and Ireland program, Apprenticeship Academy, offers training for two CAT accredited roles:

- **Service Engineering:** This program trains technicians to maintain or repair CAT machines. In 2020, four apprentices graduated, and we accepted a new cohort of 11 students in December.
- **Electrical Power Generation Technicians:** This program started in 2020 and trains technicians to undertake detailed inspections of power generation systems and to maintain, repair, and carry out replacement work. Five students are enrolled in this program.

We also offer controller apprenticeships in the UK and Ireland. Controllers hold a critical customer-facing role as they interact with customers to understand their needs, then work with technicians to schedule maintenance and order parts. Fifty-eight students are enrolled in this program, and the first cohort graduated in 2020.



Photo taken prior to COVID restrictions



FINNING RECOGNIZED FOR APPRENTICESHIP

In October 2020, Finning was recognized by the UK government's Education and Skills Funding Agency as one of the Top 100 Apprenticeship Employers 2020. Of the more than 400 applications received, Finning ranked 38th in the final list.

EMPLOYEE ENGAGEMENT

We are committed to providing ways for our people to feel energized by their work and to engage effectively with the organization and each other. Given the significant changes at work and home due to COVID-19, in 2020, we focused on offering effective channels for employees to connect, share concerns, and seek feedback. We accomplished this through:

- **Our COVID-19 pulse survey:** The survey evaluated how employees were coping and whether they were getting the resources and support they needed.
- **Our annual Employee Experience Survey:** This survey evaluated the level of engagement of our employees. We are proud of receiving an 88% survey response rate and 85% experience score in 2020. To help build a better work experience, employees could choose to receive Real Time Advice after completing the 2020 survey. Through this option, employees could receive instant suggestions based on individual survey responses.
- **Our global intranet:** Traction, our global intranet site, became a communication hub for our employees and replaced regional intranet sites. We shared important news and resources, and employees used Traction to share stories and collaborate.

LABOUR RELATIONS

Finning seeks to develop and maintain constructive, stable relationships with our employees and the organizations representing them. We are committed to negotiating the terms of our labour agreements in good faith. Approximately 63% of our employees are represented by unions under 15 collective agreements as at the end of 2020. You can find more information about our collective agreements in our most recent [AIE](#).



GLOBAL COVID-19 PULSE SURVEY RESPONSES

89%

of employees agreed that they were “well-connected, included, and part of a team during this time.”

91%

of employees agreed that “this organization is keeping employees informed about matters affecting us during this time.”

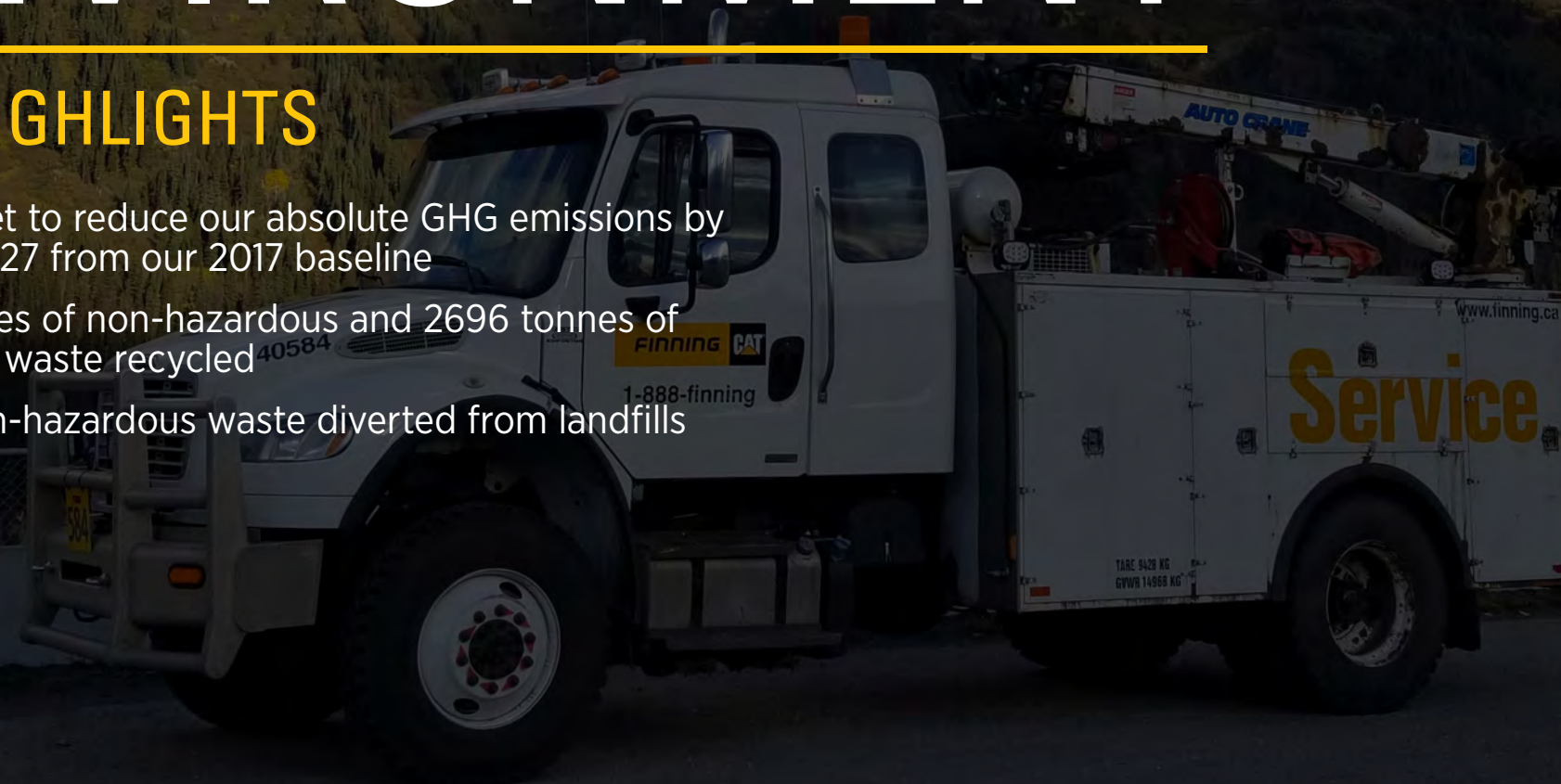
95%

of employees agreed that “I am easily able to collaborate with co-workers when needed while working from home”

ENVIRONMENT

2020 HIGHLIGHTS

- Set a target to reduce our absolute GHG emissions by 20% by 2027 from our 2017 baseline
- 9985 tonnes of non-hazardous and 2696 tonnes of hazardous waste recycled
- 73% of non-hazardous waste diverted from landfills



ENVIRONMENT

We work to reduce greenhouse gas (GHG) emissions from our facilities and fleet, enhance waste and wastewater management at our facilities, and minimize potential spill risks to land and water.

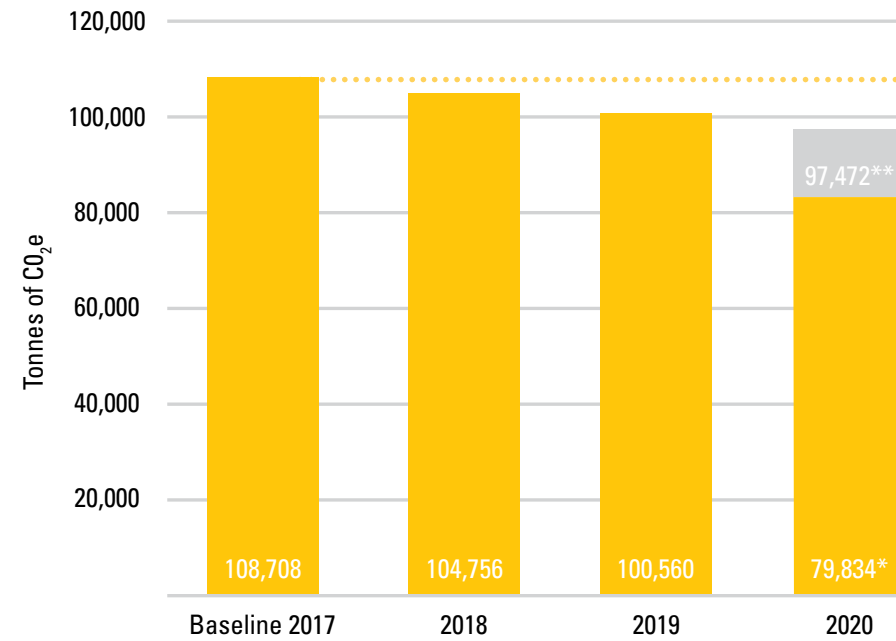
GHG EMISSIONS REDUCTION

Finning recognizes climate change as a serious global challenge, and we are committed to reducing the GHG emissions and energy consumption related to our operations.

We have set a target to reduce our absolute GHG emissions by 20% by 2027 from our 2017 baseline. This target does not include our 4Refuel emissions, however we intend to develop a reduction plan for them throughout 2021. To achieve our target, we continue to invest in energy efficiency and emission reduction activities across our regions, including procurement of renewable energy, increasing fleet efficiency, and implementing behavioural conservation activities at our branches and sites. See [page 12](#) for details.

We disclose our climate change impacts and opportunities through [CDP](#), the global non-profit organization that runs the world's leading environmental disclosure platform. Read more about how we identify and mitigate climate-related risks in our TCFD disclosure found [here](#).

ABSOLUTE GHG EMISSIONS



We have set a target to achieve a 20% reduction in our absolute GHG emissions from our 2017 baseline by 2027.

- Fleet emissions include diesel used during testing and diagnostics.
- Scope 1 emissions are from activities that are under Finning's control (e.g. fuel used in service trucks, gas used for heating).
- Scope 2 emissions are from purchased electricity. Scope 2 emissions in this graph are market-based. For location-based emissions, see the performance table, [page 40](#).

* 2020 emissions are significantly lower due to business impacts of COVID-19. Some emissions are likely to return as business impacts lessen.

** Estimated emissions without business impacts of COVID-19, estimated based on 2019 actual emissions less emission reduction projects carried out in 2020.

20%

REDUCTION FROM BASELINE



86,966
Target 2027

2020 EMISSIONS REDUCTION INITIATIVES

APPROXIMATE TONNES OF CARBON DIOXIDE EQUIVALENT (tCO₂e) AVOIDED

GHG emissions reductions are realized over a twelve-month period depending on the project implementation date. The values noted are the portion of the estimates realized in 2020.



LED LIGHTING

916 TONNES

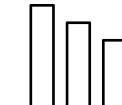
- In Canada, we switched two additional facilities to LED lighting.
- In South America, we switched one additional facility to LED lighting.
- In UK and Ireland, we are switching LED lights across the business that is estimated to reduce energy usage and carbon production by over 50% per year.



GREEN ELECTRICITY

1,068 TONNES

- The UK and Ireland facilities continue to procure electricity from a certified renewable producer.



ENERGY CONSERVATION

681 TONNES

- At all our facilities, we continued embedding energy conservation activities into daily processes. For example, our Canadian branches receive monthly dashboards showing electricity and gas savings compared to the previous year and progress against their targeted 2% annual reduction.



FLEET EFFICIENCIES

423 TONNES

- In Canada, we installed 50 power packs in fleet vehicles. These reduce fuel consumption from idling.
- 97% of the Canadian fleet has GPS/telemetry to improve driving behaviours that lead to unnecessary fuel consumption.
- In the UK and Ireland, we replaced some of our fleet of service trucks with fuel efficient and reduced-emissions models.

WASTE

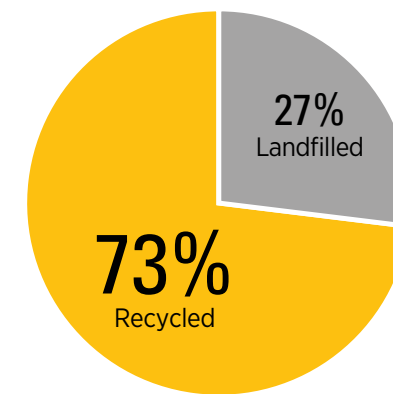
We apply a circular economy mindset to managing waste across our operations. This means reducing waste where possible and finding markets for our waste streams. Our regional 2020 activities included:

In Canada, we continued to work closely with our waste service provider to find opportunities to increase recycling rates, obtain value from waste streams, and reduce waste management costs. We piloted sensor technology at two facilities that resulted in a decrease in number of hauls, increased tonnage per haul, and decreased costs. The technology also monitors contamination and notifies facilities to correct breaches that lead to fines and increased costs at landfills. We saw encouraging results at sites managed by our central waste contractor in 2020. Contamination incidents were reduced 75% from 2019. Diversion rates in several categories increased: 5% increase in cardboard recycling volumes, 2% increase in organic material diversion. A 7% improvement in increasing capacity per haul resulted in 95 trips avoided. 526 fewer metric tonnes were sent to landfill vs 2019. Recycling efforts throughout the year resulted in 5,577 trees saved, 1.14M KW of electricity saved, 3.14M gallons of water saved, and 1,742 MT CO2e emission saved. We also executed one waste audit that resulted in identifying opportunities to increase site diversion by more than 30%.

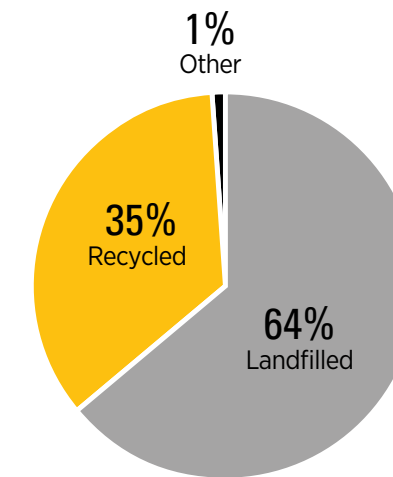
In South America, we started two waste-related initiatives in 2020. First, we sent 2,400 fluorescent lightbulbs (replaced by LED lighting over the last few years) to a special processing facility for appropriate disposal and diversion from landfills. As a result of our work to replace less-efficient lighting with LED technology, our Antofagasta Logistics Center received two certifications from the Chilean Ministry of Energy: the Seal of Energy Excellence and the CAPE Certification for organizations that have implemented energy saving projects in their facilities and processes. The second initiative is a pilot project at one of our branches, in collaboration with our waste management partner, to process or recover all waste from the facility, with no waste sent to landfills. Once this is in place, we hope to obtain a Zero Waste certification from the Chilean Ministry of the Environment.

In the UK and Ireland, we have worked hard to minimize the amount of waste we send to landfill. In 2020, less than 1% of the waste we generated went to landfill while 31% was recycled and 68% was diverted in other ways.

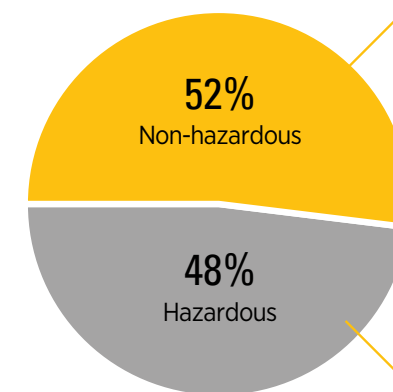
WASTE BY DISPOSAL TYPE (NON HAZARDOUS)



WASTE BY DISPOSAL TYPE (HAZARDOUS)



WASTE BY DISPOSAL TYPE



Our most common types of non-hazardous waste include metal, cardboard, wood, solid dry waste and mixed recyclables. Metal waste comes from engine cores or other used parts from our maintenance facilities. Packaging material varies by part and includes wood pallets and crates, cardboard boxes, and plastic. Most tires replaced during maintenance are sent for recycling.

Common hazardous waste streams include contaminated liquids (e.g., used oil, glycol, wash pit water, wash bay sludge), contaminated soil, oil contaminated material (e.g., oily rags, used filters, used oil, absorbents), and aerosols.



SPILLS AND WASTEWATER

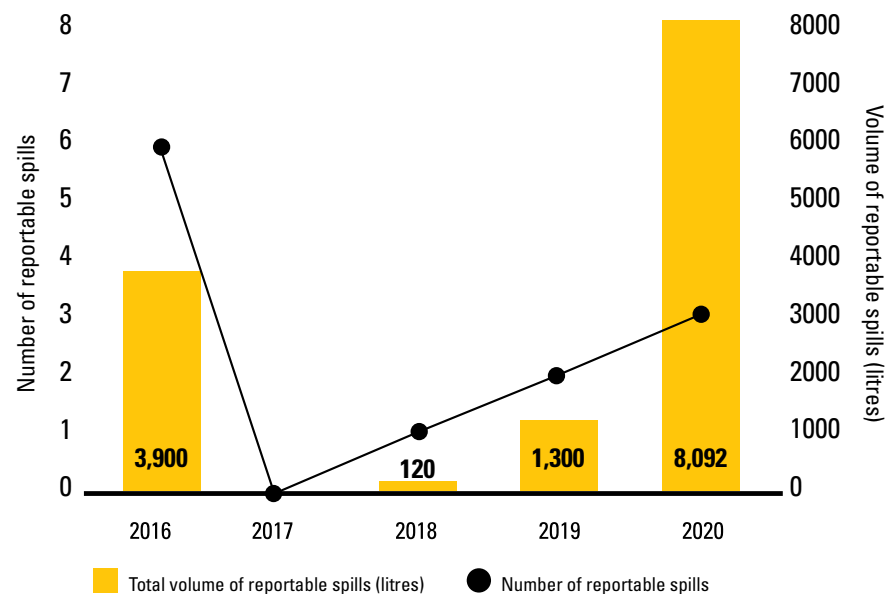
Our equipment maintenance and service activities and chemical storage at our branches present potential risks for spills. We have strict procedures aimed at preventing spills across all areas of our business. All spills are reported, and any spill that has the potential to impact the environment is investigated with corrective actions established and tracked. In 2020, all regions were audited against our global Pollution Prevention Standard for spill reporting and response.

Finning had three reportable spills in 2020. Two involved malfunctions of wash-pit containment systems releasing 4,755 litres and 3,000 litres of wastewater liquid,

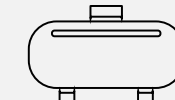
respectively. The third involved the release of 337 litres of hydraulic fluid from a machine during testing. The spills were reported immediately to the regulator, and quickly and effectively contained. After cleanup and remediation, we conducted soil sampling to ensure there was no impact to soil or water. Corrective actions were implemented including enhanced containment of sump pit reservoirs, increased frequency of equipment checks in yards, and increased inspection of wastewater containment vessels and fittings.

Read how our 4Refuel business prevents spills on [page 30](#).

REPORTABLE SPILLS



SPILL PREVENTION IN OUR OPERATIONS



STORAGE

Fuel and chemical storage at our branches present potential risks of spills. We have double-walled storage tanks equipped with controls to prevent spills. We also conduct regular inspections to ensure the integrity of the tanks.

FACILITIES



Equipment Cleaning

All Finning facilities that discharge effluent back into municipal or other systems treat the wastewater through interceptors or separation systems prior to discharge.



FUEL LOADING/ UNLOADING

We implement strict procedures to prevent spills during fueling including the use of spill containment equipment such as drip pans.



Equipment Maintenance

We have procedures to avoid spills during maintenance of our customers' equipment. We conduct regular site inspections and equipment maintenance to prevent leaks from our own equipment.



SERVICE TRUCKS

We have spill kits on all service trucks to minimize impacts if spills happen.

We have spill kits at all facilities to minimize impacts if spills happen.



We provide a spill response emergency line for emergencies in each region.

A row of yellow Caterpillar D11T tracked bulldozers is parked in a snowy lot. The bulldozers are arranged in a line, receding into the distance. The background shows a cloudy sky and some bare trees. The bulldozers have "CAT" and "D11T" markings on them.

PRODUCTS

2020 HIGHLIGHTS

- 110% increase in users of my.finning.com
- 2903 tonnes of metal diverted from landfills in 2020 through our remanufacturing services

PRODUCTS

We provide customers with solutions to improve safety and enhance performance by combining leading technology with data-driven insights, all while reducing their environmental footprint. In the delivery of products and services, we aim to partner with suppliers that share our values and standards.

CUSTOMER SAFETY

Keeping our customers safe is an extension of keeping our employees safe. We remain vigilant while working at customer sites, leverage technologies to reduce customer exposure and continue to promote remote and autonomous operations.

EMPLOYING STRICT COVID-19 PROTOCOLS

We have extensive protocols for employees working at customer sites, which are often in remote areas. Protocols include social distance requirements during travel to mine sites, health check questionnaires, temperature checks, use of appropriate personal protective equipment including disposable coveralls, and enhanced cleaning of buses, tools, and workspaces. Employees must also adhere to customer site processes and protocols. Many of our employees work

7-day shifts, so we implemented communication and symptom-tracking protocols during their off-work week. In areas with the highest infection rates, we conducted preventive testing of employees to identify and isolate asymptomatic people.

PROVIDING VIRTUAL SERVICES

We maximized the use of technology to provide services virtually and minimize customer and employee exposure. Some of our virtual services include:

- **Virtual inspections:** We replaced site visits with virtual inspections using phone cameras and showed customers progress on equipment repairs via online meetings.
- **Digital status checks:** We virtually assessed the condition of connected equipment to reduce non-urgent or unnecessary site visits.
- **Online customer training:** We transitioned as much training as possible to an online format, providing virtual training to our customers' operators.
- **Free technical webinars:** In 2020, more than 450 customers attended the technical webinars we facilitated in Canada. Topics included power applications, genset (generator set) controls and paralleling, genset sizing, microgrid solutions, and retrofitting strategies.

- **Drop Boxes:** In 2020 we expanded and expedited our network of drop boxes to deliver products in a sustainable way while eliminating human contact. See [page 26](#) for the case study.

ENABLING REMOTE AND AUTONOMOUS OPERATIONS

Remote operations help our customers improve worker safety and reduce operational costs. Moving the operator from the worksite and into a control centre reduces safety risks for equipment operators, and reduces costs related to transportation and housing for employees at remote sites. Remote operations can also help companies attract operators who otherwise might not choose to work in a remote location.

The next step beyond remote operations is autonomous operations. Autonomous vehicles require no operator at all (they have a predetermined route and are only monitored for safety reasons). Autonomous operations continue to be at the forefront of safe and efficient mining operations. The need to ensure physical distance between employees due to COVID-19 has made autonomy even more appealing to customers. We have been awarded a contract to supply autonomous trucks and technology for autonomous hauling at Teck's Quebrada Blanca Phase 2 mine in Chile.

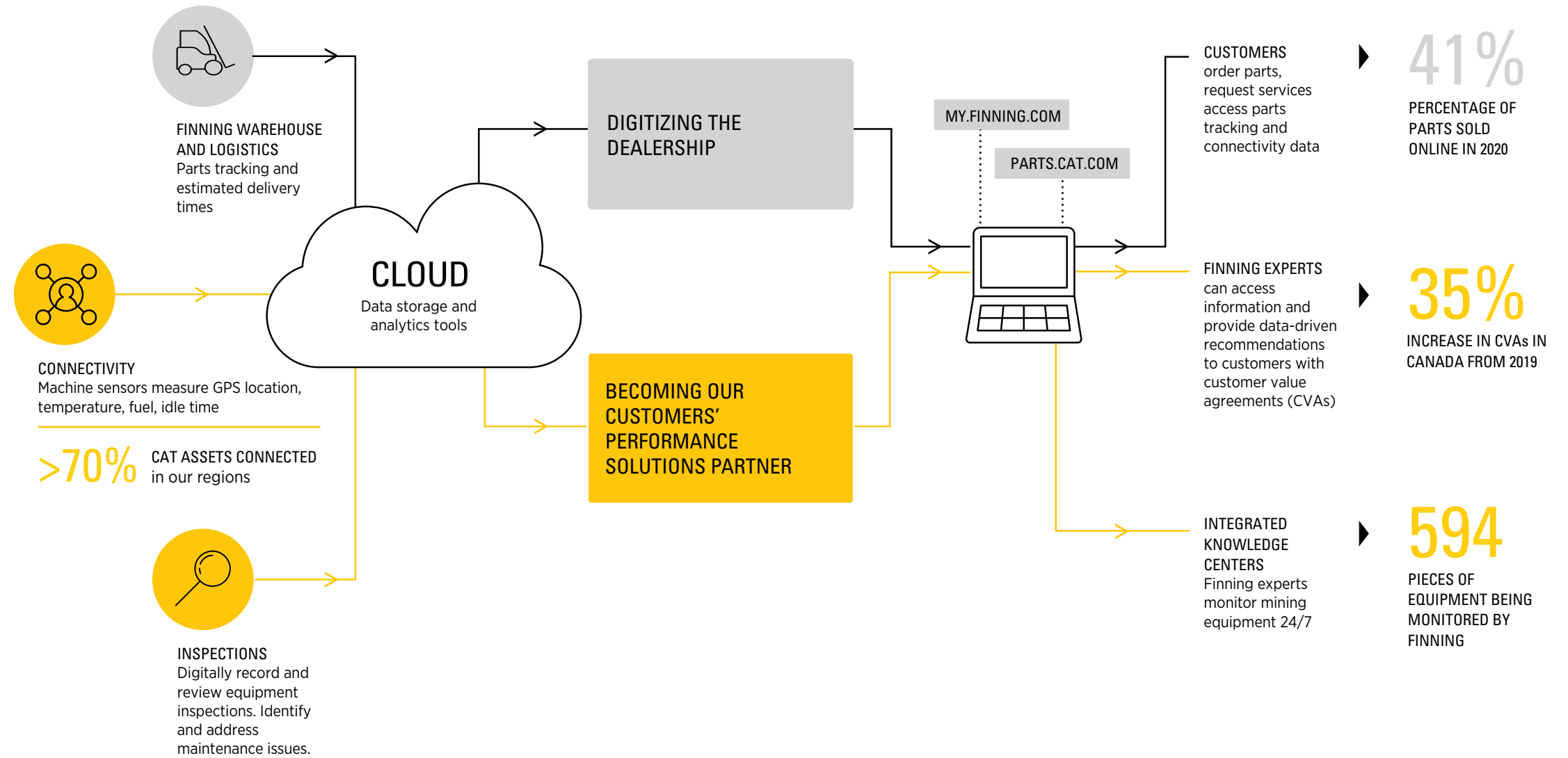


CUSTOMER PERFORMANCE AND LOYALTY

Finning’s digital solutions enhance our customers’ performance by providing data-driven insights that lower ownership costs, improve efficiency and reduce emissions by reducing idle time, and help customers optimize their fleet. COVID-19 has accelerated technology adoption by our customers, and we are well-positioned to meet the growing demand for online services.

Our digital offerings have two goals for enhancing customer experience. Our first goal is to digitize our dealership, making our services available anytime, anywhere. This enables us to serve our customers better, expand our customer base and reduce our operating costs. Our second goal is to become our customers’ performance solutions partner. Finning Performance Solutions, available to our customers through customer value agreements (CVAs), enable us to view and analyze real-time machine data, to help customers make better decisions and increase their productivity. In 2020, we continued to grow our omni-channel sales and performance solutions services.

OUR DIGITAL SOLUTIONS



PRODUCT STEWARDSHIP

Finning’s commitment to protecting the environment extends to the support we provide our customers, including helping them reduce their environmental impacts by:

- **Offering emissions-reduced products:** We offer Tier 4 equipment that provides a 90% reduction in emissions (NOx and particulate matter) compared to Tier 3 standards ([Caterpillar 2019 Sustainability Report](#)), hybrid equipment combining diesel and electric components, and Dynamic Gas Blending (DGB) engines for non-power applications that displace diesel consumption by up to 85% without sacrificing performance. In 2020, we provided a DGB kit to a well service customer which routinely provided up to 69% natural gas substitution in place of diesel fuel. Although diesel is still required, this technology greatly reduced the need for diesel fuel to be transported to various drilling sites and has provided significant savings on diesel fuel costs. Electric-drive mining trucks and hybrid excavators reduce fuel consumption by up to approximately 20 to 25% compared to traditional diesel models, by combining diesel and electric components.
- **Providing lower carbon and renewable power solutions:** We design solutions and procure and connect a range of renewable and reduced-emissions power equipment for our customers.
- **Extending the life of equipment:** Our remanufacturing and product exchange programs extend the life of equipment and components. Read more on [page 25](#).
- **Enabling GHG emissions reductions through digital optimization:** Our equipment connectivity and data analytics offer our customers the potential to optimize their equipment use, increase productivity, and subsequently reduce their GHG emissions by production unit.

**CASE STUDIES:
PERFORMANCE SOLUTIONS**

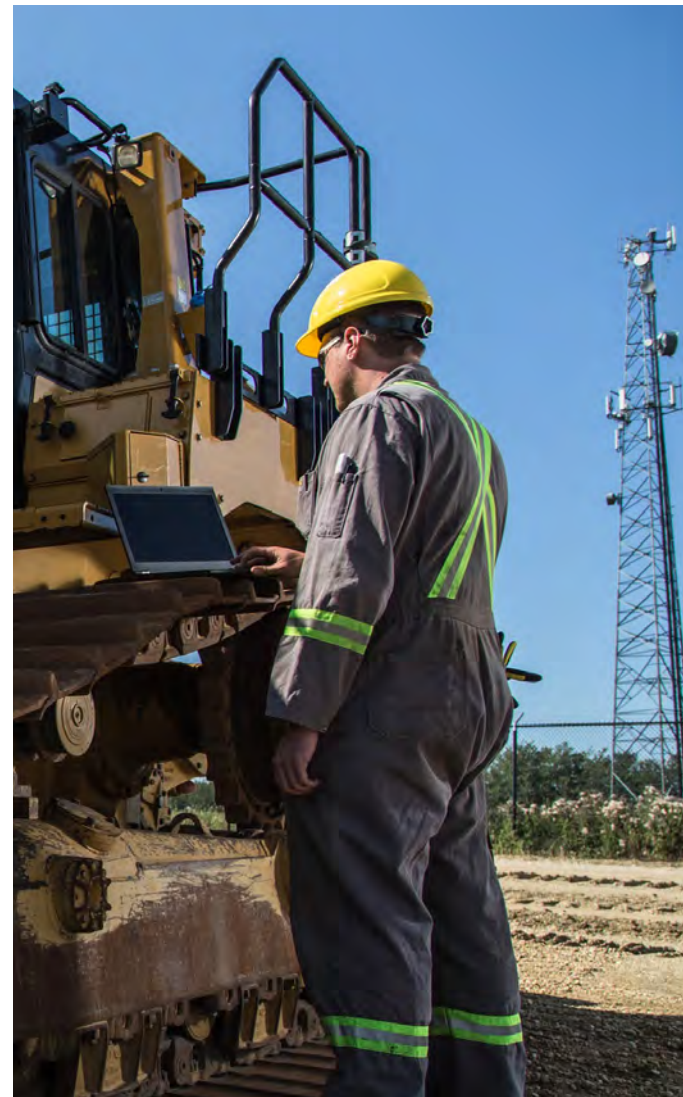


Photo taken prior to COVID restrictions.

ENABLING REMOTE ASSET MONITORING IN CANADA

Gahcho Kué is the world’s largest new open-pit diamond mine. It is located in the Northwest Territories, Canada, close to the Arctic circle where temperatures can drop to -45°C. Reliable power and heat are essential for the safety of more than 300 people living and working at Gahcho Kué.

Remote Asset Monitoring of power generators, a digital service that proactively identifies repair and maintenance needs for generator sets at the mine, has been essential to this operation. In a partnership with De Beers, Finning and Caterpillar, condition monitoring analysts monitor the generator sets remotely and can identify issues before they occur. Based on the real time generator data and specialized algorithms in the tool, when a potential issue is detected, the system alerts our Finning technicians at the mine to proactively complete repairs. In addition to raising safety concerns, issues that are not addressed can disrupt mine operation and result in expensive downtime and repairs.

Since the start of mine operations three years ago, our team, in conjunction with Caterpillar, has proven that predictive maintenance is an essential tool for Gahcho Kué’s continued operation.

Watch this [video](#) to learn more.

EARTHMOVING TOOL TRIAL IN THE UK

Finning and our technology partners Caterpillar® and Trimble® completed a commercial trial in the UK to prove our new digitally integrated earthworks performance solution. The trial involved working with a key customer and their earthworks supply chain to successfully excavate, move, and stockpile significant volumes of material.

The trial also allowed us to prove a range of new technologies involved in the digital earthworks service that drive efficiency in key areas of customers operations such as mass haul tracking, payload monitoring, integrated asset monitoring and fleet management, and the monitoring of fuel, carbon emissions and safety.

By combining managed services with our insights and analytics platform, we are bringing together data from a multitude of independent systems to provide integrated, real-time reporting and insights that can significantly reduce cost and environmental impact and improve the productivity and safety of our customers’ earthworks operations.

LOWER CARBON & RENEWABLE POWER ACROSS THE WORLD

NORTHERN ALBERTA & BRITISH COLUMBIA: NATURAL GAS TO POWER DRILLING

A 3 MW natural gas Caterpillar generator set combined with battery storage for our customer Tourmaline's existing electricity-powered drilling rigs uses clean-burning natural gas, a smart energy management system, and stored electricity. Tourmaline estimated, in an investor presentation from May 2020, this would reduce their absolute GHG emissions by up to 50% from current levels.

EDMONTON: COMBINING HEAT AND POWER FOR AN AIRPORT

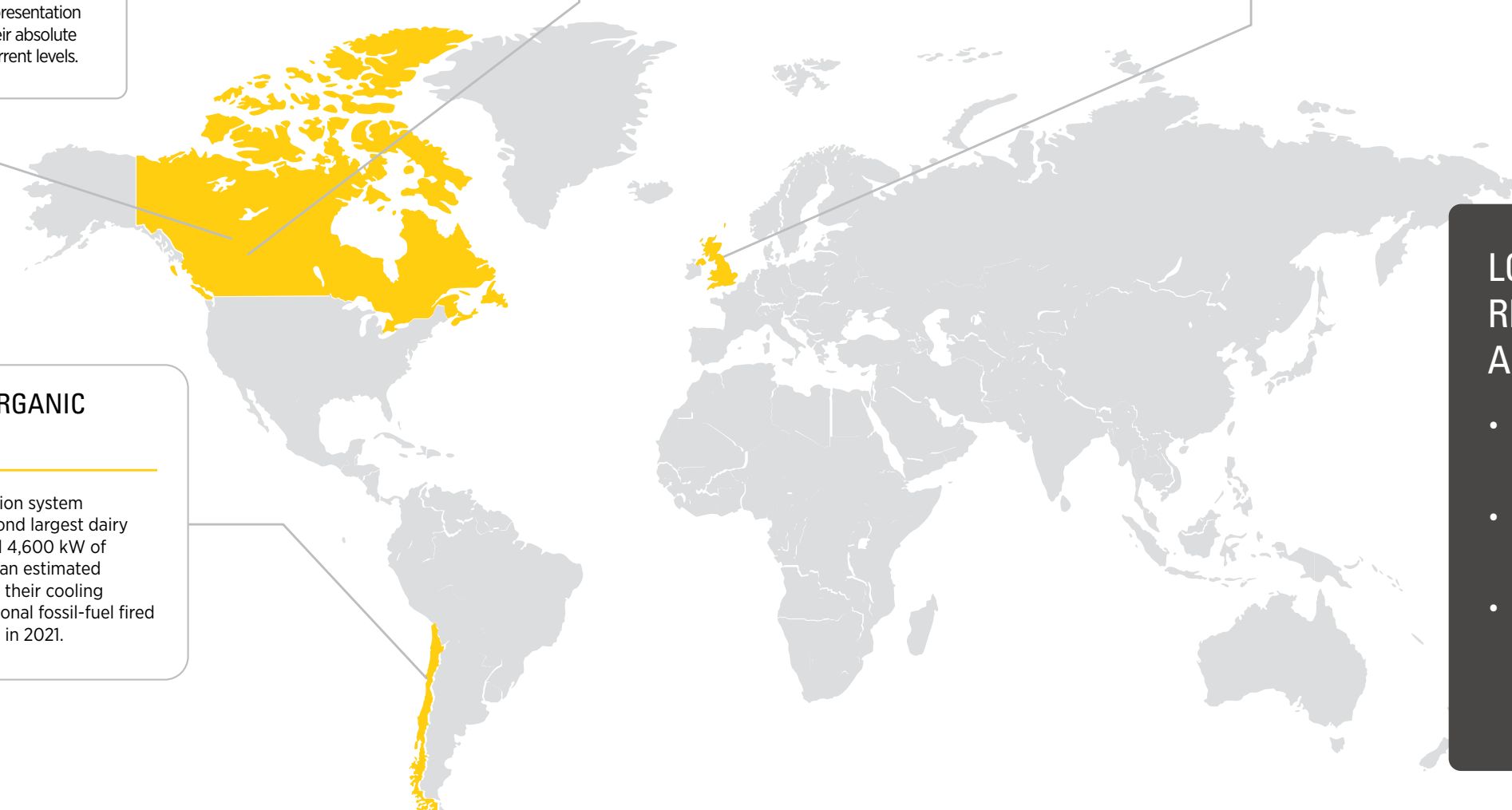
A 4.5 MW output combined heat and power system delivered by three natural gas Caterpillar generators supplies the Edmonton International Airport with electricity and waste heat powers the airport's hot water circuit, reducing the number of boilers on site, offsetting local coal-powered electrical generation and reducing utility costs.

UK & IRELAND: ELECTRICITY FROM LANDFILL WASTE (BIOGAS)

Energy is created through Finning-supplied and/or maintained power generation sets and fleets for biogas power projects at municipal landfills to help achieve lower carbon levels in the UK and Ireland. Landfill gas generators use biogas from decomposing organic materials to produce electricity.

CHILE: ELECTRICITY FROM ORGANIC WASTE (BIOGAS)

A 2 MW biogas generator and cogeneration system delivered by Finning will help Chile's second largest dairy company, COLUN, generate an estimated 4,600 kW of electricity from organic waste and reuse an estimated 1,800kW of heat from exhaust gases and their cooling system. This project will replace conventional fossil-fuel fired boilers and is expected to be operational in 2021.



LOWER CARBON & RENEWABLE POWER IS ACHIEVED BY:

- Partially or fully replacing diesel with natural gas
- Producing biogas from waste and converting it to electricity
- Combining heat and power generation to improve efficiency (CHP)

REMANUFACTURING TOWARDS A CIRCULAR ECONOMY

We contribute to the development of a circular economy by keeping products and materials in use for as long as possible through remanufacturing. This reduces waste and minimizes the use of materials to produce new parts. An example of the durability and reliability of haul trucks that we service is the 797A that has set a world record of 150,000 hours. After 21 years of us servicing the machine and completing 10 engine rebuilds, the 797A is still operating at peak performance at Syncrude's Aurora Mine.

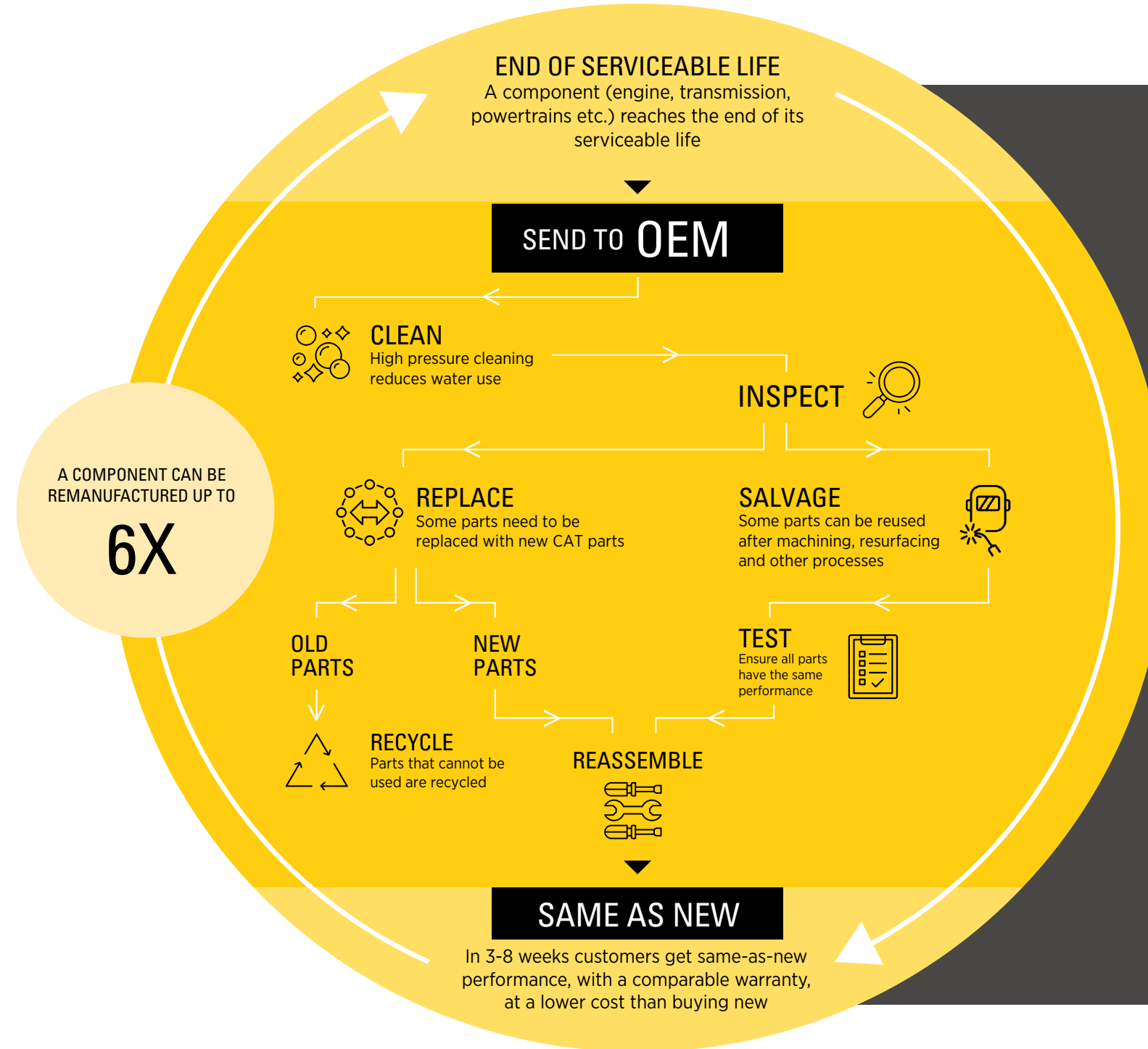
To learn more about our remanufacturing facility in Canada, watch this [video](#).

FINDING OPPORTUNITIES TO IMPROVE OUR PROCESSES

In 2020, our OEM facility closed its traditional chrome plating operation in favor of the High Velocity Oxygen Fuel (HVOF) process. HVOF is a more environmentally friendly metal coating process that increases resistance to erosion and wear, improves corrosion protection, and extends product life.

CERTIFIED REBUILD: BROADENING THE IMPACT OF REMANUFACTURING

In addition to our remanufacturing program, which focuses on single components, we have a Caterpillar Certified Rebuild Program in all regions. This program focuses on rebuilding entire machines to Caterpillar specifications, providing like-new machines with like-new warranties at a fraction of the cost of a comparable new product.



ENVIRONMENTAL BENEFITS OF REMANUFACTURING

- Reduces waste
- Recycles thousands of tonnes of iron each year
- Reduces the need for raw material, energy and water to produce new parts and machines
- Extends the value of the energy and water consumed in the original manufacturing process
- Keeps high-value non-renewable resources in circulation longer

798 Employees work at OEM	14,359 Components remanufactured in 2020	12% Increase in remanufactured components since 2017
-------------------------------------	--	--

2903
tonnes of metal recycled in 2020

All of the recycled metals were diverted from the landfill (equivalent to 34 Boeing 747 airplanes)

RESPONSIBLE SUPPLY CHAIN

We work with our suppliers to foster a supply chain that upholds our corporate values and minimizes environmental and social impacts.

INTEGRATING OUR SUPPLIER CODE OF CONDUCT

We buy goods and services from more than 8,000 suppliers worldwide. We want to work with suppliers who share our strong environmental, social, ethical and safety standards.

In 2020, we made signing our [Supplier Code of Conduct](#) a requirement of Finning's procurement process. Our Supplier Code includes commitments related to safety and health, anti-harassment and diversity and inclusion of underrepresented and marginalized groups, including women. It also addresses anti-bribery, modern slavery, data protection, and environmental and community involvement programs.

As part of our formal Request for Proposal process, new suppliers are required to review and sign the Supplier Code before being granted a contract. Suppliers already under contract were required to review and sign the Supplier Code by December 31, 2020.

TESTING SUPPLY CHAIN RESILIENCE

The global pandemic has been an unprecedented event that has tested even the strongest supply chains. Personal protective equipment (PPE) was one of our key supplies at risk from the surge in COVID-related demand. Our strong supplier relationships enabled us to meet our additional needs for PPE in a timely manner.

Changes in business conditions also affected many of our suppliers. We opened a two-way communication channel with suppliers who might be in distress to reach out to their procurement contact or VP, Global Procurement. These experiences have reinforced our belief in the value of strong supplier relationships and proactive communication in building a resilient supply chain.

CASE STUDY:

DIGITAL DROP BOXES: DELIVERING OUR PRODUCTS MORE SUSTAINABLY

Digital drop boxes are large, modular mailboxes with digital code locks that improve our customer experience and make our distribution network more efficient. Customers or Finning technicians receive an email when their order is delivered and pick up their parts at their convenience. Building on the success of the UK and Ireland digital drop boxes, we deployed 25 digital drop boxes across Canada from 2018 to 2020.



Drop Boxes provide delivery options to our customers and improve our reach into underserved areas. Watch this [video](#) for more details.

BENEFITS TO CUSTOMERS:

- **Flexibility:** Drop boxes offer an additional delivery option.
- **Improved parts availability:** Parts are sourced from national distribution centres that have more inventory than local branches.
- **Convenience:** Drop boxes are self-serve, conveniently located, and accessible 24/7.

ENVIRONMENTAL BENEFITS:

- **Reduced vehicle emissions:** A central drop box reduces travel to multiple delivery locations and “empty miles” (vehicles carrying less than full loads).
- **Reduced parts waste:** Fewer parts are stored at multiple branches where they could become obsolete or discontinued prior to sale.
- **Reduced packaging waste:** Less packaging is required to prevent damage during direct shipment to drop boxes.

4REFUEL

2020 HIGHLIGHTS

- 42% reduction in motor vehicle accidents compared to 2019
- Zero reportable spills in 2020, while pumping 860,941,022 liters of fuel



4REFUEL

In 2019, Finning acquired 4Refuel, a leader in mobile, on-site equipment fueling. In 2020, we continued integrating 4Refuel into our business and sustainability practices.

BENEFITS TO FINNING AND OUR CUSTOMERS

4Refuel enables Finning to offer a complementary service that drives value for our customers in Canada and in Texas, US. 4Refuel helps our customers improve their business performance by:

- **Decreasing operator risk exposure:** By delivering fuel directly to equipment on site, we reduce operator exposure to environmental and safety risks during transit to the refuelling station.
- **Reducing downtime:** 4Refuel delivers directly to equipment on site, eliminating equipment downtime related to transiting to a refuelling station. We also deliver and refuel equipment overnight and during non-peak work hours to maximize customer productivity.
- **Enabling fuel tracking:** Fuel consumption is one of our customers' highest operating costs. Each time 4Refuel fills a piece of equipment, transaction details are relayed to a central server. This technology allows customers to manage their fuel consumption costs in real-time, promote theft avoidance, and gather insights into fuel consumption.

MANAGING COVID-19 RISKS

4Refuel's contactless fuel delivery helps our customers prevent the spread of COVID-19. Our services reduce touch points by acting as the sole fuel source on site, preventing multiple employees from touching the same pump handle and then returning to their cab. We also stagger shift times to minimize interaction at our branches before and after work and sanitize truck cabs before and after each shift, to reduce exposure for our employees. Office-based employees have worked from home, where possible. Where local infection rates were high, we proactively tested employees to identify potentially asymptomatic employees who could unknowingly spread the virus.

INCLUSION AND DIVERSITY

As part of our work to build a company-wide culture of inclusion and diversity, 4Refuel's senior leadership group completed Building Respectful Teams training as well as Workplace Sensitivity Training for Employees in 2020. We anticipate rolling out inclusion and diversity training for all 4Refuel employees in 2021.



SAFETY

Our acquisition of 4Refuel added approximately 260 tanker trucks to our fleet and 575 employees to our workforce, increasing our exposure hours by approximately 5%. In 2019, we completed a gap assessment of 4Refuel’s practices against Finning’s critical safety standards (prioritizing the Vehicle Safety Global Standard). In 2020, we aligned our incident classification and reporting processes.

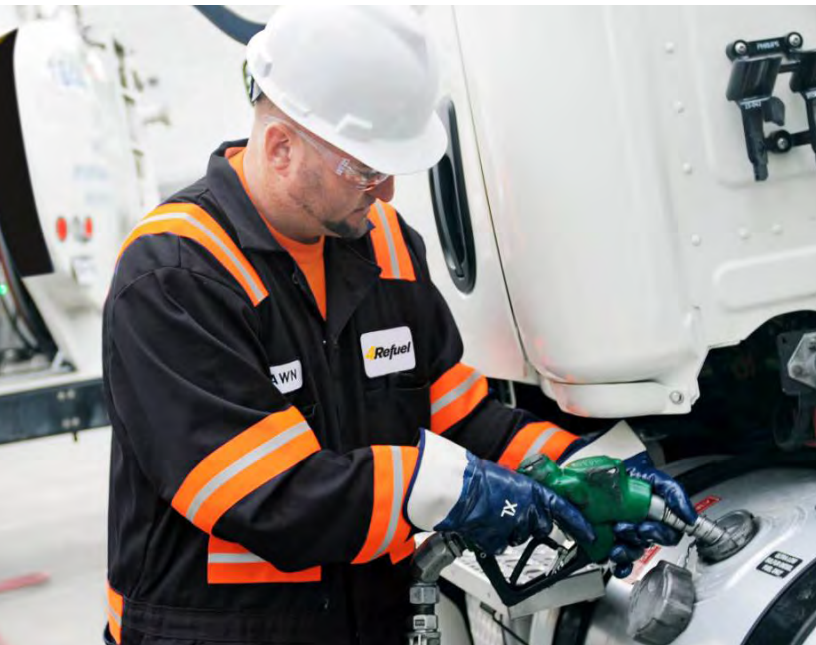


Photo taken prior to COVID restrictions.

4Refuel safety activities focus on managing the following three critical safety risks:

DRIVING AND MOTOR VEHICLE ACCIDENTS

All 4Refuel drivers (Certified Refuelling Professionals, CRPs) have taken the Smith System defensive driving training, an online fleet driver training program aimed at promoting safe driving behaviours and preventing accidents. This training is compulsory for all new CRPs.

4Refuel fleet trucks are equipped with GPS systems that collect data to support safe driving habits and fuel efficiency. This technology analyzes speeding, hard acceleration, and harsh braking. We use the data to identify areas for training reinforcement. In 2020, we added dashboard cameras to nearly 100 trucks to support driver behaviour coaching. The balance of the fleet will be outfitted by the end of 2021.

Also, in 2020, we enhanced our driving safety practices by hiring a defensive driving specialist for our southern Ontario region, reinforcing the key principles of defensive driving, and enhancing engagement between supervisors and CRPs to validate control measures.

As a result of our driving safety program, we achieved a 42% reduction in motor vehicle accidents in 2020 compared to 2019.

We are deeply saddened to report two incidents occurred in 2020 involving 4Refuel trucks and third party vehicles, which resulted in the death of three individuals who were not 4Refuel employees.

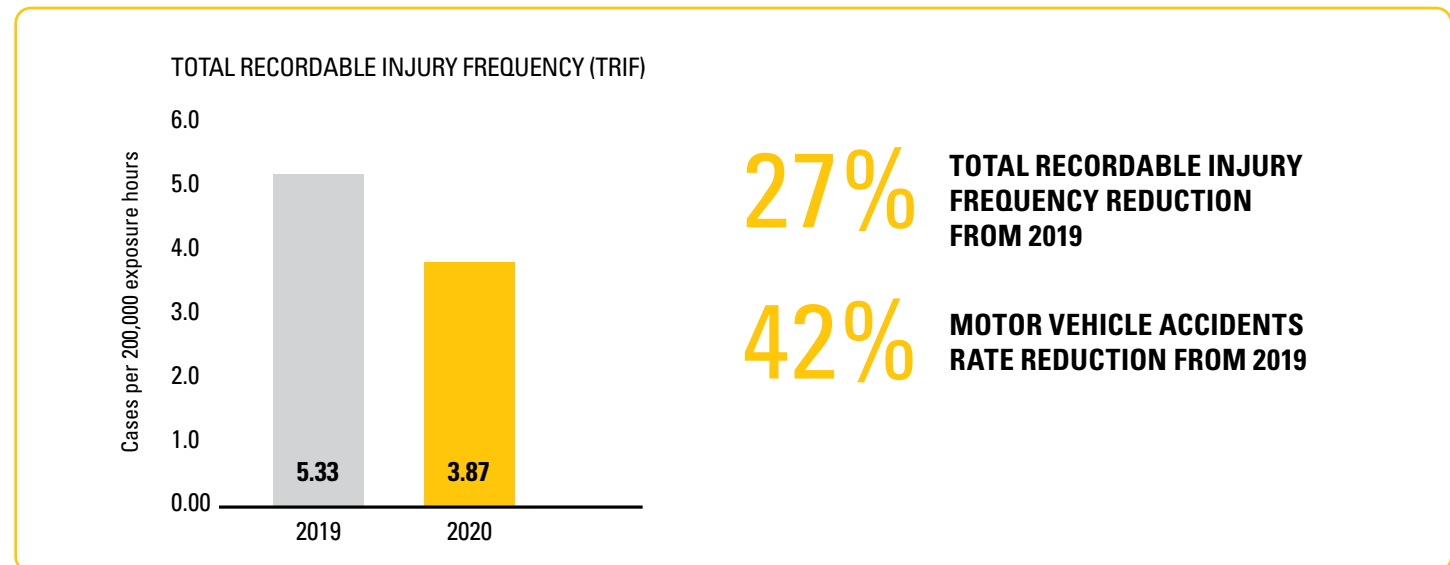
HANDLING AND TRANSPORTING FLAMMABLE SUBSTANCES

4Refuel ensures compliance with national and regional transportation of dangerous goods requirements. Canadian CRPs are certified by Canadian Fuel Association’s driver certification program. US CRPs have hazmat and tanker endorsements in compliance

with US requirements. All trucks are subjected to annual inspection and other preventive maintenance programs, and comply with applicable Transport Canada, US Department of Transportation and regional requirements.

ROUTINE TASKS

Employees complete Job Safety Assessments to identify hazards and controls related to routine tasks such as working at heights. To reduce soft tissue injuries, an ergonomic assessment was carried out in 2019 to determine the safest technique for common refuelling activities such as handling refuelling hoses.



FLEET EMISSIONS

We have developed processes to start capturing and reporting 4Refuel’s fleet-generated and utility-generated GHG emissions in alignment with Finning’s GHG Protocol. We are reporting this data for the first time in this report.

SPILLS

We have systems and procedures aimed at minimizing spills during fuel transfer:

PREVENTING SPILLS DURING FUELING

In addition to rigorous operator training on standard operating procedures and spill response, 4Refuel has thorough spill prevention practices and controls in place. These include maintenance and inspection of critical equipment (hoses, tanks, reels), mandatory pre-trip inspections, and emergency “stop” mechanisms on mobile handheld devices that prevent fuel from pumping.

PREVENTING SPILLS FROM STORAGE TANKS

A small percentage of our locations use local storage tanks to support our supply needs. These storage tanks meet rigorous standards and include features such as double walls and overfill prevention technology. We conduct routine inspections and maintenance of our equipment and facilities. In the event of a spill, we minimize environmental impact by ensuring our employees follow the spill response plan and remediate as applicable.



860,941,022

LITRES FUEL PUMPED IN 2020

4,638,110

PIECES OF EQUIPMENT
REFUELED

713,357

DELIVERIES

0

REPORTABLE SPILLS* THIS
YEAR FOR 4REFUEL

*Reportable spills are defined as spills that must be reported to regional authorities according to each jurisdiction’s regulations

COMMUNITIES

2020 HIGHLIGHTS

- In collaboration with partner organizations, we provided almost 100,000 hours of training to close to 1,000 individuals in Chile
- We rolled out our Indigenous Guiding Principles in Canada
- More than 100,000 youth engaged through STEM partnerships

COMMUNITIES

We believe that supporting the communities where we live and work contributes to the wellbeing of our employees, suppliers, and partners, and builds capacity for the future.

We give back to our communities by partnering with organizations that inspire young people to participate in STEM (science, technology, engineering, and mathematics) careers, and training community members for skilled jobs.



TARGETING OUR INVESTMENTS

To maximize the impact of our community giving, we have developed a community investment strategy that aligns our investments with our values and priorities. Our investment strategy focuses on four priority areas: STEM, women and girls, communities at risk, and Indigenous communities.

Our strategy includes a centralized application and review process. Applications for funding are submitted online, and guidelines are in place to support regional committees as they evaluate and allocate funding to proposals that best align with our priority areas and values.

PROMOTING INDIGENOUS AWARENESS

Our [Indigenous Guiding Principles](#), developed in 2019, outline how we engage with Indigenous individuals, businesses, and communities in Canada. In 2020, we shared these principles with our external stakeholders. The principles guide our processes for recruitment, procurement, new business and strategic relations, and community investment. As a first step in embedding these principles, we are seeking a provider for Indigenous awareness training. We anticipate providing awareness training to employees in 2021.

ADVANCING STEM EDUCATION

Our central philanthropic focus is youth-focused STEM education because we believe it is essential to our purpose of building and powering a better world. STEM disciplines produce the engineers, data analysts, chemists, biophysicists, and other technical and scientific practitioners who help drive today's innovation-oriented world.

Finning provides financial and practical support for programs that inspire students to participate in STEM careers and the technical trades. We partner with non-profits to support programming and directly participate in STEM-related activities.

VIRTUAL STEM OUTREACH THROUGH COVID

In response to COVID-19 restrictions on public gatherings, we worked with our partners to shift their programming to a virtual format, where possible. 2020 activities included the following:

In Canada, we awarded 5 scholarships to further equitable access to STEM-related post-secondary education programs. We also continued working with organizations such as [Actua](#), [Let's Talk Science](#), and [Girls Inc.](#) to provide STEM programming to youth, underserved communities, and girls. 16 employees volunteered for STEM events including:

- **Geering Up:** Summer camps that offered STEM activities, demonstrations, mentoring, and design challenges.

- **Summer Brainbuster Quiz Show:** A 10-week series of virtual quizzes for families to learn how STEM is all around us.
- **Career panels:** Virtual events where employees shared their experience and answered questions about the types of careers available in STEM disciplines.

In South America, we worked with [Chicas en Tecnologia](#) (Girls in Technology) and [Inspiring Girls](#) to help improve access to STEM courses and mentoring in Chile and Argentina. We donated 160 computers to these organizations and more than 20 of our female employees signed up to be STEM mentors with these and other NGOs, to reduce stereotypes and foster inclusion of girls and young women in STEM disciplines.

In the UK and Ireland, we continued our involvement with [STEM Ambassadors](#). Seven of our employees volunteered their time and expertise, including participation in a two-week virtual event that connected more than 800 students to engineers in different fields.



RELATED SDGS



RELATED SDGS

FOSTERING EMPLOYABILITY IN SOUTH AMERICAN COMMUNITIES

We believe technical skills help community members raise their standard of living and create a lasting positive impact in communities. Having a STEM-trained population makes it easier for communities to attract advanced industries with high-value employment. This in turn helps to support the creation of a vibrant and stable local economy.

During this difficult year, we continued to provide training to foster employability across different regions in Chile. Through our partnerships with public institutions and non-profits, we provided almost 100,000 hours of training, largely through our Finning Instruccion Tecnica (FIT) institute, to close to 1,000 individuals including:

- 640 students enrolled at secondary and post-secondary institutions received training in heavy machinery maintenance. This includes a new partnership with a recognized professional development institute in Chile ([IP Chile](#)).

- 238 community members received training in heavy equipment maintenance, logistics, and forklift operations through our agreements with local labour offices tasked with identifying skills gaps in different regions. Trainees received the virtual component of the training and are expected to complete the in-person portion in 2021.
- 17 individuals received technical training through a new partnership with [ELEVA](#), a public-private partnership that builds technical skills to support the mining industry in Chile.
- 37 students received scholarships, 20 firefighters were trained as forklift operators, and 39 individuals received technical training through our longstanding partnership with [Tierra de Esperanza](#).
- Post-secondary students were able to complete online internships with Finning, allowing them to complete their degrees.

GOVERNANCE & ETHICS

2020 HIGHLIGHTS

- Effective company-wide crisis response to COVID-19 pandemic
- 5,020 of employees completed cybersecurity training
- 89% global completion rate for Code of Conduct training

BOARD & GOVERNANCE INFORMATION

Size of board	12
Average age of directors	64
Number of independent directors	11
Mandatory retirement age	72
Separate chair and CEO	Yes
Comprehensive board assessment process	Yes
Independent chair	Yes
Average board tenure	6.3 years
Annual election of directors	Yes
Proxy access	Yes
Majority voting policy	Yes
Code of Conduct for directors, officers and employees	Yes
Board meetings held in 2020	9
Stock ownership guidelines for directors and executive officers	Yes
Board and committee meeting attendance in 2020	99.5%
Policy on share trading and hedging	Yes
Say on Pay advisory vote	Yes
Five-year average support of our approach to executive compensation	90.2%
Women Board members	33%
Board Inclusion and Diversity Policy	Yes
In-camera sessions held with independent directors only at every Board and committee meeting	Yes

GOVERNANCE & ETHICS



RELATED SDGS

Good governance and strong ethics are essential to maintaining our reputation and being a trusted partner to our stakeholders.

CRISIS MANAGEMENT AND ENSURING BUSINESS CONTINUITY

We maintain readiness to respond to incidents that can impact our ability to continue normal operations, including environmental events, labour or supply disruptions, and other events such as COVID-19. We have crisis management and business continuity plans in all regions, with members representing all business units. These teams collaborate to ensure we respond effectively to disruptions and can continue operating during a crisis or disaster.

In March 2020, we activated our crisis management and business continuity plans in response to COVID-19. See more details on the actions taken to manage COVID-19 on [page 9](#).

MAINTAINING STRONG GOVERNANCE

The Finning Board has four standing committees: Audit, Human Resources, Governance and Risk, and Safety, Environment, and Social Responsibility. Our Board of Directors provides business oversight and accountability and collaborates with the Finning Leadership Team to build on best practices and continually improve our governance. Our key governance practices and metrics are summarized in the table to the left. For more details about our Board, please refer to our most recent [Management Proxy Circular](#).

ETHICS

We define our values and expectations for ethical behaviour in [Finning's Code of Conduct](#). The Code guides how we put our principles of transparency, ethics, and professionalism into practice each day, and includes topics such as conflict of interest, confidentiality, anti-bribery and corruption, and the use of social media. We review and update the Code annually, and employees receive annual Code training. Employees are also tested on the training and require a score of at least 80% to pass.

We encourage our employees to ask questions or raise concerns when they are unsure if a behaviour or activity conforms to our values or our Code and have a Whistleblower Policy that protects employees from any retaliation as a result of raising ethics concerns. Concerns can be raised, anonymously if preferred, through our confidential whistleblower hotline. Reports of potential breaches of our Code are investigated by the appropriate regional ethics committee, with oversight from our global ethics committee. Our global ethics committee investigates reports that involve anyone who reports into the head office organization or involve high risk. The global ethics committee is made up of members of our Senior Management team across Legal, Finance, Human Resources, and Internal Audit. The regional ethics committees are comprised of senior management in these areas at the regional level. In 2020, our whistleblower system received reports related to 80 potential violations of our Code of Conduct. Of these allegations, 70 have been closed and ten cases are still under investigation. Of the closed cases, 25 were fully or partially substantiated and appropriate action taken, which ranged from training to discipline to termination.

CYBERSECURITY AND DATA GOVERNANCE

With many of our employees working remotely during 2020 and the number of connected customers steadily increasing, it is critical that we continue protecting Finning’s information and our customers’ data.

ENHANCING CYBERSECURITY

In recent years, we completed foundational work to manage cybersecurity risks. This work included the integration of modern antivirus and firewall solutions into a next generation Security Operations Centre that analyzes and responds to security incidents. We met the cybersecurity challenges presented by the pandemic with no material loss of information by:

- Leveraging our technology investments to enable and secure a mobile workforce.
- Integrating cybersecurity instructions into all Work from Home communications and resources. Instructions include the importance of securely storing company documents and data.

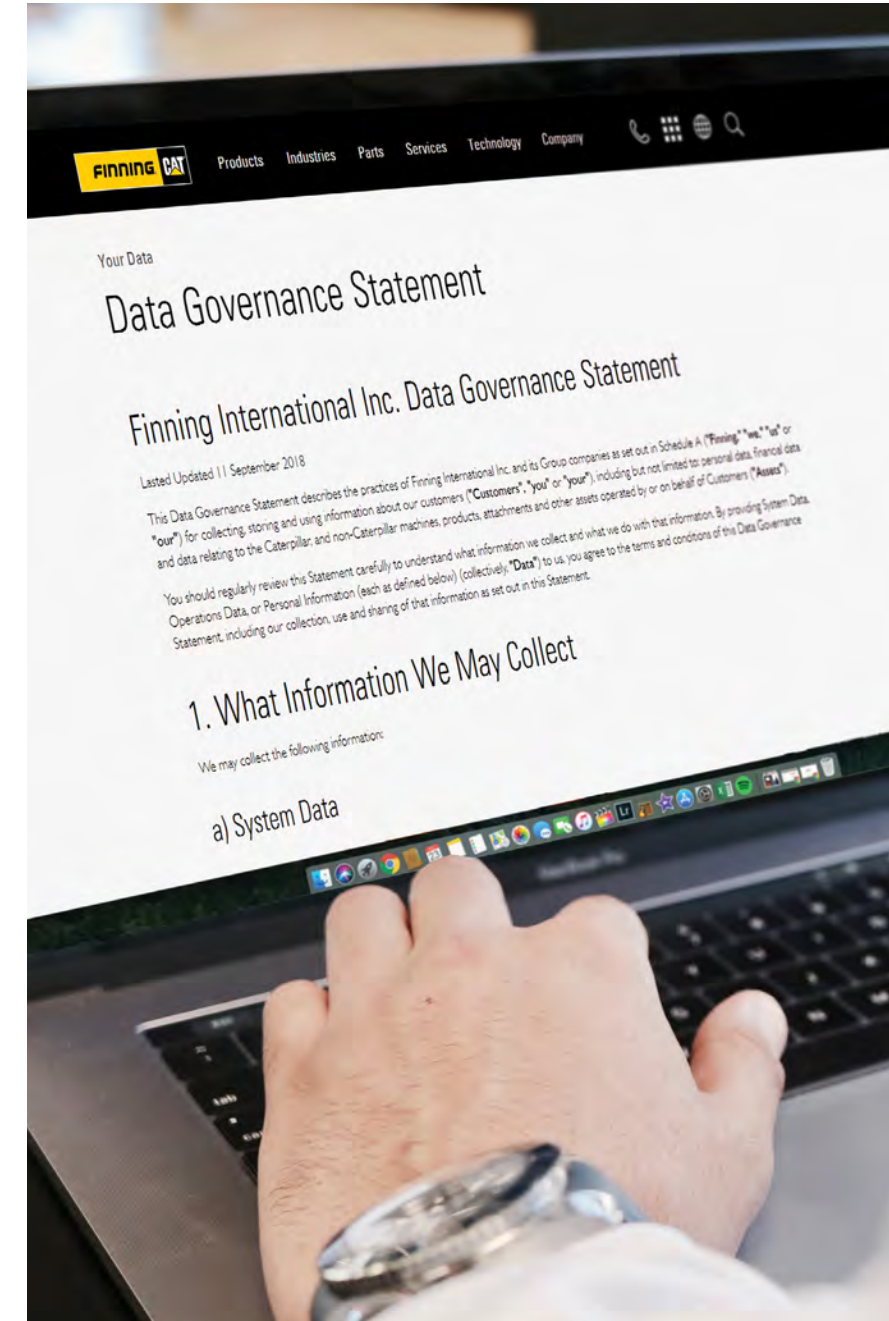
- Delivering global mandatory cybersecurity awareness training to all field technicians, employees working from home, contractors, and service providers.
- Conducting regular phishing tests to determine the vulnerability level of our network. We share the results with business leaders in each region to help them maintain employee awareness of appropriate procedures.

MAINTAINING STRONG DATA GOVERNANCE

We continue to build on the Data Governance Framework that we implemented in 2018 which, among other things, guides how we use, manage and protect data belonging to employees, customers, suppliers, and partners. In 2020, we continued to socialize the framework with various areas in the business by training and communicating the importance of the data governance principles, which include obtaining consent to the collection and use of data, data use and protection, data breach response procedures, and data storage and disposal. In addition, our annual Code of Conduct employee training includes information on acceptable use of data, and we provide ongoing internal education to ensure employees understand all rules and requirements.

Where applicable, we include our data governance statement in contracts so that our customers, suppliers, and partners understand how we will collect, use and disclose their data.

We continue to adapt our established framework to the evolving legislative requirements and expectations of our stakeholders. Our framework is the critical foundation that will help build trust and continue to enable more transparency in our dealings with our stakeholders.



FORWARD LOOKING INFORMATION CAUTION

This report contains information about our business outlook, objectives, plans, strategic priorities and other information that is not historical fact. Information we provide is forward-looking when we use what we know and expect today to give information about the future. Forward-looking information in this report includes, but is not limited to, the following: our target to reduce our absolute GHG emissions by 20% by 2027 (from a 2017 baseline); our evolution of our disclosure of our climate-related risks and opportunities, our intention to achieve full alignment with TCFD requirements in the coming years and our five-year sustainability roadmap focus areas for 2018-2023 listed on page 3; our intention to start offering our Powering Up program to 1,800 front-level leaders in 2021; our intention to develop a GHG emissions reduction plan for 4Refuel throughout 2021; our continuing investment in energy efficiency and emission reduction activities across our regions, including procurement of renewable energy, increasing fleet efficiency, and implementation behavioural conservation activities at our branches and sites (our assumption is that effective energy efficient and emission reduction technology and options, including efficient fleet options, exist and can be implemented at our branches and sites at a cost that is not prohibitive); our plans to achieve our targeted 20% reduction in absolute GHG emissions by 2027 (from a 2017 baseline) listed on page 16; our pilot project at a facility in South America to process or recover all waste the facility, with no waste sent to landfills and our hope to obtain a Zero Waste certification from the Chilean Ministry of the Environment in connection with this project; our goal to digitize our dealership, making our services available anytime, anywhere (includes an assumption that internet connectivity will be available 24/7); our expectation that the 2MW biogas generator and cogeneration system we delivered to COLUN in Chile will help COLUN generate an estimated 4,600 kW of electricity from organic sate and reuse an estimated 1,800 kW of heat from exhaust gases and their cooling system and that it will be operational in 2021; our plan to roll out inclusion and diversity training for all 4Refuel employees in 2021; our intention to outfit the balance of the 4Refuel fleet with dash cameras by the end of 2021; our plan to provide Indigenous awareness training to employees in 2021; our expectation that our trainees in South America will complete the in-person portion of their heavy equipment training in 2021; the steadily increasing number of connected customers; our management of the risks and uncertainties associated with the

COVID-19 pandemic, our climate-related risks and opportunities, including timelines, listed on page 45; our strategic pillars to address and manage the impact of climate-change related risks and opportunities, listed on page 46; our intention to include 4Refuel in our SASB reporting in next year's sustainability report .

All such forward-looking information is provided pursuant to the 'safe harbour' provisions of applicable Canadian securities laws. Unless otherwise indicated, forward-looking information in this report reflects our expectations at the date of this report. Except as may be required by Canadian securities laws, we do not undertake any obligation to update or revise any forward-looking information, whether due to new information, future events, or otherwise.

Forward-looking information, by its very nature, is subject to numerous risks and uncertainties and is based on a number of assumptions. This gives rise to the possibility that actual results could differ materially from the expectations expressed in or implied by such forward-looking information and that our business and sustainability outlook, objectives, plans, strategic priorities and other information that is not historical fact may not be achieved. As a result, we cannot guarantee that any forward-looking information will materialize. Factors that could cause actual results or events to differ materially from those expressed in or implied by this forward-looking information include: the impact and duration of the COVID-19 pandemic and measures taken by governments and businesses in response; general economic and market conditions and economic and market conditions in the regions where we operate; foreign exchange rates; commodity prices; the level of customer confidence and spending, and the demand for, and prices of, our products and services; our ability to maintain our relationship with Caterpillar; our dependence on the continued market acceptance of our products and services, including Caterpillar products, and the timely supply of parts and equipment; our ability to continue to sustainability reduce costs and improved productivity and operational efficiencies while continuing to maintain customer service; our ability to manage cost pressures as growth in revenue occurs; our ability to negotiate satisfactory purchase or investment terms and prices, obtain necessary regulatory or other approvals, and secure financing on attractive terms or at all; our ability to manage our growth strategy effectively; our ability to attract sufficient skilled labour resources as market conditions, business

strategy or technologies change; our ability to negotiate and renew collective bargaining agreements with satisfactory terms for our employees and us; our ability to maintain a safe and healthy work environment across all regions; the intensity of competitive activity; our ability to raise the capital needed to implement our business plan; regulatory initiatives or proceedings, litigation and changes in laws or regulations; stock market volatility; changes in political and economic environments in the regions where we carry on business; our ability to respond to climate change-related risks; the occurrence of natural disasters, pandemic outbreaks, geopolitical events, acts of terrorism, social unrest or similar disruptions; fluctuations in defined benefit pension plan contributions and related pension expenses; the availability of insurance at commercially reasonable rates and whether the amount of insurance coverage will be adequate to cover all liability or loss that we incur; the potential of warranty claims being greater than we anticipate; the integrity, reliability and availability of, and benefits from, information technology and the data processed by that technology; and our ability to protect our business from cybersecurity threats or incidents.

Forward-looking information is provided in this report for the purpose of giving information about our current expectations and plans and allowing investors and others to get a better understanding of our sustainability efforts. However, readers are cautioned that it may not be appropriate to use such forward-looking information for any other purpose. Forward-looking information provided in this report is based on a number of assumptions that we believed were reasonable on the day the information was given, including but not limited to: that we will be able to successfully manage our business through the current challenging times involving the effects of the COVID-19 response; that commodity prices will remain at constructive levels; that our customers will not curtail their increasing capital expenditures; that general economic and market conditions will be maintained or improve; that the level of customer confidence and spending, and the demand for, and prices of, our products and services will be maintained; our ability to successfully execute our plans and intentions; our ability to attract and retain skilled staff; that market competition will remain at similar levels; that the products and technology offered by our competitors will be as expected; and

that our current good relationships with Caterpillar, our suppliers, service providers and other third parties will be maintained. Some of the assumptions, risks and other factors which could cause results to differ materially from those expressed in the forward-looking information in this report are discussed in our current [Annual Information Form \(AIF\)](#) and in our most recent annual and quarterly management's discussion and analysis (MD&A) for financial risks, including for updated risks related to the COVID-19 pandemic.

We caution readers that any risks described in this report, or in our MD&A or AIF are not the only ones that could impact the company. We cannot accurately predict the full impact that COVID-19 will have on our business, results of operations, financial condition or the demand for our services, due in part to the uncertainties relating to the ultimate geographic spread of the virus, the severity of the disease, the duration of the outbreak, the steps our customers and suppliers may take in current circumstances, including slowing or halting operations, the duration of travel and quarantine restrictions imposed by governments of affected countries and other steps that may be taken by such governments to respond to the pandemic. Additional risks and uncertainties not currently known to us or that are currently deemed to be immaterial may also have a material adverse effect on our business, financial condition, or results of operations. Except as otherwise indicated, forward-looking information does not reflect the potential impact of any nonrecurring or other unusual items or of any dispositions, mergers, acquisitions, other business combinations or other transactions that may be announced or that may occur after the date of this report. The financial impact of these transactions and non-recurring and other unusual items can be complex and depends on the facts particular to each of them. We therefore cannot describe the expected impact in a meaningful way or in the same way we present known risks affecting our business.



PERFORMANCE TABLES

FINNING							
	UNITS	2015	2016	2017	2018	2019	2020
COMPANY CONTEXT							
Revenues ¹	millions	6,257	5,628	6,256	6,996	7,290	5,768
Number of locations ²	number	N/A	N/A	221	225	214	210
SAFETY³							
Total Recordable injury frequency (TRIF)	cases per 200,000 exposure hours	0.61	0.66	0.43	0.49	0.47	0.44
Total injury frequency (TIF)	cases per 200,000 exposure hours	N/A	2.89	3.21	2.60	2.01	1.3
Significant injury frequency (SIF)	cases per million exposure hours	1.84	1.02	0.72	0.61	0.34	0.29
Fatalities	count	0	0	0	2	0	0
Vehicle incidents ⁴	count			157	112	107	73
All injuries by activity:							
Manual handling	percent					30	31
Using hand tools	percent					23	49
Walking	percent					13	19
Component assembly / disassembly	percent					4	6
Washing components	percent					4	0
Equipment assembly / disassembly	percent					2	6
Crane lifting and hoisting	percent					2	3
Using stationary equipment	percent					1	2
Other	percent					17	42
Near misses and hazard identification ⁵	percent	26,633	25,334	18,210	22,651	28,292	20,195
Supervisory observations	percent			51,034	39,375	41,757	32,223
Executive walkthroughs	percent			194	168	286	169
PEOPLE							
Employees by region - Canada	units	5,090	4,657	4,885	5,427	5,818	4,621
Employees by region - South America	units	6,253	5,821	6,207	6,252	5,870	5,318
Employees by region - UK & Ireland	units	1,660	1,399	1,452	1,467	1,500	1,445
Employees - Total ⁶	units	13,003	11,877	12,544	13,146	13,188	11,384
Employees (including contractors) - Total ⁷	units	14,325	13,039	14,077	14,732	14,290	12,545
Employees covered in collective bargaining agreements	units	66	67	64	60	64	63

FINNING							
	UNITS	2015	2016	2017	2018	2019	2020
INCLUSION							
Workforce by age group:							
Under 30 years	percent				20	17	15
30 - 50 years	percent				62	64	65
Over 50 years	percent				18	19	19
Gender diversity:							
Female	percent				16	16	16
Male	percent				84	84	83
Workforce by other (non-disclosed)	percent						1
Women in leadership roles:							
Board ⁸	percent	18	17	25	33	33	33
Executive	percent				22	24	21
Senior Level Leader	percent				28	30	31
Mid Level Leader	percent				22	22	21
Front Level Leader	percent					15	16
RETENTION AND ENGAGEMENT							
Rate of Hiring	percent	N/A	N/A	17	17	10	6
Voluntary turnover rate	percent	6	6	6	7	6	6
Voluntary turnover (male)	percent	N/A	N/A	N/A	N/A	6	6
Voluntary turnover (Female)	percent	N/A	N/A	N/A	N/A	9	6
Total turnover rate	percent	16	18	12	13	13	14
Employee Experience Survey Response Rate	percent	84	87	89	89	88	88
Employee Experience Index	score out of 100	72	72	75	85	84	85
EMPLOYEE DEVELOPMENT							
Employees receiving performance reviews:							
Executive	percent					85	95
Senior level leader	percent				81	88	93
Mid-level leader	percent				91	92	96
Front level leader	percent				89	95	95
Individual contributor (non-union)	percent				95	93	92

FINNING							
	UNITS	2015	2016	2017	2018	2019	2020
EMPLOYEE DEVELOPMENT, CONT'D							
Average training hours, by training type:							
Technical	percent				23	29	16
Sales	percent				17	5	58
Leadership	percent				30	25	18
Spending on training, by type:							
Technical	\$				5,379,840	6,084,662	4,692,712
Sales	\$				556,920	337,106	313,979
Leadership	\$				1,627,793	1,270,991	256,604
ENVIRONMENT							
Greenhouse Gas Emissions (Market) (total)	CO2e tonnes			-	-	-	79,834
Greenhouse Gas Emissions (Location) (total)	CO2e tonnes			108,708	104,756	100,560	80,902
Direct emissions by source:							
Facilities	CO2e tonnes			26,894	27,892	25,674	23,924
Fleet	CO2e tonnes			33,970	34,619	33,864	23,671
Total	CO2e tonnes			60,864	62,511	54,538	47,595
Indirect emissions by source:							
Electric (Market) (total)	CO2e tonnes			-	-	-	32,239
Electric (Location) (total)	CO2e tonnes			47,844	42,245	41,022	33,307
% of emissions from renewable energy	percentage						3
Energy Use:							
Fuel - gasoline	gigajoules				140,316	148,705	95,276
Fuel - diesel	gigajoules				374,100	373,194	266,886
Gas Oil	gigajoules				1,691	1,785	1,288
Electricity	gigajoules				262,441	243,987	226,697
Natural Gas	gigajoules				496,735	424,685	415,639
Energy Use (total)	gigajoules				1,275,283	1,192,356	1,005,786
Spills:							
Number of reportable spills	count	2	6	0	1	2	3
Total volume of reportable spills	litres	360	3,900	0	120	1,300	8,092

FINNING							
	UNITS	2015	2016	2017	2018	2019	2020
ENVIRONMENT CONT'D							
Hazardous Waste:							
Landfilled	tonnes	-	-	-	-	9,956	4,995
Recycled	tonnes	-	-	-	-	2,178	2,696
Incinerated and deep well injection	tonnes	-	-	-	-	554	109
Total	tonnes	-	6,119	7,649	9,935	12,688	7,801
Non-hazardous waste							
Landfilled	tonnes	-	-	-	-	4,447	3,698
Recycled	tonnes	-	-	-	-	9,422	9,985
Total	tonnes	-	12,378	11,911	14,215	13,869	13,683
PRODUCTS							
Connected assets (% of addressable population)	percent				68	75	70
Number of components remanufactured (OEM facility)	unit				13,029	14,692	14,359
COMMUNITIES							
Volunteer hours (STEM only) ⁹	hours				875	550	87
ANTI-CORRUPTION AND ETHICS							
Total number of employees who completed code of conduct training	percent					90	89

PERFORMANCE NOTES:

1. Revenues reported in Canadian dollars. All financial data is consistent with Finning annual reports.
2. Locations include branches, training facilities, distribution centers and OEM.
3. Safety rates are calculated using exposure hours of employees and contractors.
4. Vehicle incidents are incidents caused by a company driver and they include any collision type incident with another vehicle, object or person. 2017 data updated to align with this definition.
5. Global definitions were instituted in 2017 for near misses and hazard identification.
6. Number of employees (excluding contractors) is used for all people, inclusion, retention and engagement calculations in this report and performance table.
7. Number of employees (including contractors) is used for all safety calculations in this report and performance table. The definition of contractor is aligned with Canadian Association of Petroleum Producers (CAPP) standards.
8. Percentage of women on our Board is provided following the election of Directors at Finning's AGM each May.
9. Volunteer hours were lower in 2020 due to transition to virtual program delivery by our community partners.

4REFUEL

INDICATORS	UNITS	2020
COMPANY CONTEXT		
Number of locations	number	32
SAFETY		
Total Recordable injury frequency (TRIF)	cases per 200,000 exposure hours	3.87
Total injury frequency (TIF)	cases per 200,000 exposure hours	5.15
Significant injury frequency (SIF)	cases per million exposure hours	0.81
Fatality Rate	(count / total hours worked) * 200,000.	0
Fatalities	count	0
Vehicle incidents	count	34
All injuries by activity:		
Manual handling	percent	6
Using hand tools	percent	0
Walking	percent	8
Component assembly / disassembly	percent	0
Washing components	percent	0
Equipment assembly / disassembly	percent	13
Crane lifting and hoisting	percent	0
Using stationary equipment	percent	0
Other	percent	5
PEOPLE		
Employees	count	568
Employees (including contractors)	count	585
INCLUSION		
Workforce by age group		
Under 30 years	percent	11
30 - 50 years	percent	64
Over 50 years	percent	25
Gender diversity		
Female	percent	13
Male	percent	87

4REFUEL

INDICATORS	UNITS	2020
RETENTION AND ENGAGEMENT		
Rate of Hiring %	percent	36
Voluntary turnover rate	percent	21
Total turnover rate	percent	37
Employee Experience Survey Response Rate	percent	72
Employee Experience Index	score out of 100	87
EMPLOYEE DEVELOPMENT		
Employees receiving performance reviews		
Senior level leader	percent	100
Mid-level leader	percent	100
Front level leader	percent	100
Individual contributor (non-union)	percent	24
Average training hours, by training type		
Technical	percent	36
Sales	percent	10
Leadership	percent	10
Spending on training, by type		
Technical	\$	354,790
Sales	\$	14,615
Leadership	\$	46,250

4REFUEL

INDICATORS	UNITS	2020
ENVIRONMENT		
Direct (scope 1)	CO2e tonnes	18,734
Indirect (scope 2)	CO2e tonnes	123
Greenhouse Gas Emissions (Total)	CO2e tonnes	18,857
Direct emissions by source		
Facilities	CO2e tonnes	1,166
Fleet	CO2e tonnes	17,568
Energy Use		
Fuel - gasoline	gigajoules	7,332
Fuel - diesel	gigajoules	241,375
Electricity	gigajoules	1,502
Natural Gas	gigajoules	16,396
Total	gigajoules	266,601
Spills		
Number of reportable spills	count	0
Total volume of reportable spills	litres	0



TCFD / SASB / GRI INDEX

TCFD REPORTING

The following represents Finning's first disclosure in line with TCFD recommendations. We recognize that climate change is a serious global challenge, impacting all companies and communities. We are committed to decreasing our carbon emissions within our operations and building resilience to climate change within our business. Further, we see ourselves as valuable partners to our customers to help them address carbon emissions and build resilience into their own operations. We have mechanisms in place to assess and manage climate-related risks and opportunities. We also continually enhance our climate management practices, and we are currently evaluating and enhancing our climate change strategy and conducting a detailed scenario testing of our company strategy.

GOVERNANCE

BOARD OVERSIGHT

Finning's board of directors has four committees to assist in fulfilling its duties and responsibilities: audit, governance and risk, human resources, and safety, environment and social responsibility. The safety, environment & social responsibility (SESR) committee assists the board in its oversight of the corporation's safety and health, environmental and social responsibility policies and programs and in monitoring its performance against those policies and programs, which includes climate-related issues.

The SESR committee also oversees the execution of Finning's approach to climate change, which includes

the following elements: monitoring emissions; annual external reporting of Scope 1 and Scope 2 emissions data through the Carbon Disclosure Project and the Company's Sustainability Report; and the identification of opportunities for emissions reductions. The SESR committee reviews, approves, and monitors progress against internal and external GHG targets. Further, the SESR committee is responsible for monitoring the resilience of Finning's strategy to the physical and transition risks of climate change.

The other three committees provide support to climate-related topics, including audits, risk management processes and other.

Finning employees also play a key role in operationalizing our climate-related plans to each of our operating regions. Our employees are essential in supporting regionally-adapted plans and procedures for maintaining worker health and safety during climate-related events.

MANAGEMENT RESPONSIBILITIES

The CEO and the Finning Leadership Team (FLT) have ultimate responsibility for identifying any climate-related matters influencing the company and determining the company's response to such matters. Any relevant information presented to the SESR and the board must be approved by the CEO and the FLT. The CEO and the FLT receive climate-related information and input from two sources:

- Global Sustainability Committee (GSC): Described in further detail below, the Global Sustainability Committee presents proposals to the FLT on climate-related matters.
- The ERM process: In the quarterly and annual cycle, our enterprise risk management (ERM) program presents information on risks facing the organization for the FLT to consider and rank. See the Risk Management section for more details.

The VP EHS and Sustainability is responsible for managing and coordinating the processes applicable to Finning's climate change approach, including the corporate GHG disclosures and reduction programs. The VP EHS and Sustainability further coordinates the GSC.

The GSC is championed by the Chief Human Resources Officer (CHRO), chaired by the VP EHS and Sustainability, and has participation from strategy and finance, legal, human resources, operations, investor relations, supply chain, treasury, and risk management, across all of Finning's operating regions. It considers proposals and provides recommendations to the FLT and the board on sustainability related issues such as risks and opportunities, and disclosure. Further, the GSC receives quarterly reporting on progress against climate targets and GHG emissions.

Finning leaders across all operating regions have responsibility for raising climate-related risks as part of the quarterly and annual ERM process.



STRATEGY

FINNING'S CLIMATE-RELATED RISKS AND OPPORTUNITIES

Finning's climate-related risks and opportunities are listed in the table to the right. They were identified using a qualitative assessment process involving use of internationally recognized climate data and economic models, as well as internal stakeholder input.

AREA	TITLE	DETAILS	TIMELINE
OPPORTUNITIES	ENERGY TRANSITION	Many industries are looking to natural gas as a transition fuel to a low-carbon economy, providing opportunities for Finning.	Short term
	ELECTRIFICATION / AUTONOMY	A transition to electric or hydrogen powered equipment may present opportunities for revenue growth.	Short, medium, long term
	PROCESS EFFICIENCY	Our Performance Solutions help customers to increase the efficiency of their operations and decrease energy usage and GHG emissions.	Short term
	METALS RELEVANT FOR A LOW-CARBON ECONOMY	Metals such as copper, lithium, and zinc, abundant in Canada and South America, will have increased relevance in the transition to a low-carbon economy. Increased mining activities for these metals may increase demand for Finning products and services.	Medium term
	CLIMATE RESILIENT INFRASTRUCTURE	Increasing physical impacts of climate change may lead to increased government and private sector investment to promote resilient infrastructure, such as resilient roads, bridges, and water infrastructure. Finning has an opportunity to be a partner to governments and industry looking to build resilience to the impacts of climate change. Further, Finning has an opportunity to assist customers in mining and oil and gas to conduct climate resilient and environmentally responsible site reclamation activities.	Long term
TRANSITION RISKS	CLIMATE POLICIES IMPACTING LICENSE TO OPERATE	Climate-related policies in Canada, Chile, and the UK may influence market dynamics applicable to our customers.	Short and medium term
	STAKEHOLDER PRESSURE TO REDUCE EMISSIONS	All industries are attempting to reduce emissions, which may increase demand for vehicle electrification and other measures to reduce emissions and vehicle usage.	Medium term
	INCREASED OPERATING COSTS	Carbon pricing and climate policies impact the cost of goods and energy, potentially increasing our operating costs.	Medium term
PHYSICAL RISKS	ACUTE CLIMATE EVENTS	Climate events such as forest fires and extreme weather (wind, rain, snow, dust) may impact our operations and the operations of our customers.	Medium term
	INCREASING CLIMATE STRESSORS IN SOUTH AMERICA	Water stress/drought may put operational stress on Finning operations and the operations of our mining customers in South America.	Short term
	EMPLOYEE HEALTH AND SAFETY	Increasing temperatures as well as increasing acute events may present risks to employee health and safety.	Long term

CLIMATE CHANGE RELATED STRATEGIC PILLARS

While climate change presents risks, it also presents opportunities and we are committed to minimizing our risks and maximizing opportunities to ensure that Finning is resilient and strong in the face of climate change. The following aspects have been defined as Finning's strategic priorities to manage the impact of risks and opportunities related to climate change.

1

To continue increasing Finning competitiveness in the oil and gas (O&G) sector, develop products and services to capitalize on the growing opportunity for natural gas. In addition, adapt our products and services to help our customers to further decarbonize their operations, including efficiency/ decarbonization, services to enhance growth of renewable energy production and/or a transition towards hydrogen fuel production.

2

Position Finning as a low-emissions partner to the copper mining industry, which must grow to meet the increasing demand for consumer electric vehicles. Further, expand our presence in the lithium and rare-earth mining industry to capture additional opportunities related to electric vehicle growth.

3

Develop enhanced service offerings and adapt business models to capture opportunities related to a transition to hydrogen and/or electric powered equipment.

4

Continue to aggressively embed and expand performance solutions into all aspects of our products and services, with a specific target towards helping customers achieve their emissions reduction goals.

5

Position Finning as a strategic partner to governments and industry in building climate-resilient public and private infrastructure such as roads, bridges, buildings, and water infrastructure. Further, enhance our service offering to mining and O&G customers to assist with climate-resilient and environmentally responsible reclamation activities.

6

We recognize the need for all organizations to address the climate impacts of their operations, and are committing to reduce the impact of our business. In line with that we have set an absolute GHG emissions reduction target of 20% by 2027 (from 2017 levels).

The above pillars will continue being assessed in an ongoing basis and refined as needed.



RISK MANAGEMENT

RISK IDENTIFICATION

Finning’s Enterprise Risk Management (ERM) process is conducted on a quarterly basis. Company leaders are surveyed regarding the company’s current and emerging risks, and all risks are compiled and presented for review by the FLT. The risks are sorted according to the following categories:

1. Health and safety
2. Customer loyalty
3. People
4. Financial
5. Reputation
6. Relationship with Caterpillar
7. Relationship with other equipment manufacturers
8. Relationship with suppliers/vendors
9. Regulatory legal and environmental (including climate change)

Our ERM group, in collaboration with the FLT, assign a score of 1-7 to each risk based on impact and likelihood. Those risks that generate a 6-7 in our impact risk scale are considered substantive.

Annually, the process is supplemented with a global scan of emerging risks that may be relevant for Finning. The annual process enhances and reinforces the outputs of the quarterly processes. In 2020, we conducted a qualitative risk assessment to inform our risk management, strategic decision making, and reporting related to the risks and opportunities from climate change. See the Strategy section for progress and details. In 2020 we also began a process of quantitative risk assessment. We are working towards a better understanding of our quantitative risks and opportunities for reporting in a future sustainability report.

MANAGING RISKS

Material climate related risks are managed by our ERM team through the annual and quarterly processes, in collaboration with the affected business lines. While climate-related risks are not considered material in our scoring system at this time, we continually review this conclusion in light of new information such as the results of our climate scenario analysis. In addition, climate-related risks are monitored and managed by the VP EHS and Sustainability, and the GSC.

INTEGRATION IN ERM

The company’s ERM system, as described above, fully integrates and considers climate-related risks and opportunities.

METRICS AND TARGETS

We currently assess climate-related risks using our GHG footprint measurement and target.

Please see [page 16](#) for details on our emissions measurement, and our new GHG emissions reduction target.

SASB - INDUSTRIAL MACHINERY & GOODS

TOPIC	SASB CODE	METRIC	UNIT OF MEASURE	RESPONSE/COMMENT
ACCOUNTING METRICS	RT-IG-000.A	Number of units produced by product category	Number	Not applicable to Finning. We do not manufacture products.
	RT-IG-000.B	Number of Employees	Number	11,384
ENERGY MANAGEMENT	RT-IG-130a.1	1. Total energy consumed	Gigajoules (GJ)	1,005,786
		2. Percentage grid electricity	%	41%
		3. Percentage renewable	%	0.02%
EMPLOYEE HEALTH AND SAFETY	RT-IG-320a.1	1. Total recordable incident rate (TRIR)	Rate	0.44 ¹
		2. Fatality rate	Number	0
		3. Near miss frequency rate (NMFR)	Rate	20,195 near misses and hazards were identified. We used this information to improve our safety performance but do not track it as a rate.
FUEL ECONOMY AND EMISSIONS IN USE-PHASE	RT-IG-410a.1	Sales-weighted fleet fuel efficiency for medium- and heavy-duty vehicles	Gallons per 1,000 ton-miles	Not applicable to Finning.
	RT-IG-410a.2	Sales-weighted fuel efficiency for non-road equipment	Gallons per hour	
	RT-IG-410a.3	Sales-weighted fuel efficiency for stationary generators	Watts per hour	
	RT-IG-410a.4	Sales-weighted emissions of: (1) nitrogen oxides (NOx) and (2) particulate matter (PM) for: (a) marine diesel engines, (b) locomotive diesel engines, (c) on-road medium- and heavy-duty engines, and (d) other non-road diesel engines	Grams per kilowatt-hour	Finning does not manufacture products. We continue to develop performance solutions aimed at providing customers with products that generate fewer direct emissions. Read more about our product stewardship initiatives in the product section of this report.
MATERIALS SOURCING	RT-IG-440a.1	Description of the management of risks associated with the use of critical materials	N/A	Not applicable to Finning. We do not manufacture products.
REMANUFACTURING DESIGN AND SERVICES	RT-IG-440b.1	Revenue from remanufactured products and remanufacturing services	Reporting currency	Our OEM facility remanufactured 14,359 components in 2020, a 12% increase since 2017.

⁴Refuel falls under the SASB road transportation standard and is therefore not included in this table. We intend to report to this standard in next year's sustainability report.

¹Recordable injuries including medical aids (MA), restricted work (RW) injuries and lost time injuries (LTI) are classified regionally according to Canadian Association of Petroleum Producers (CAPP) incident classification standard.

GRI INDEX

This report has been prepared in accordance with the GRI Standards: Core option. The index below maps disclosures in this report or other public documents to the GRI requirements. Some of the qualitative information required to meet the GRI standards can be found on a separate document referred to as GRI Supplemental Information (GRISI).

GRI INDICATOR – Disclosures for all organizations		
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102-1	Company name	2
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102-9	Supply chain description	2
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GOVERNANCE AND ETHICS		
102-16	Values, principles and norms of behaviours	35
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STAKEHOLDER ENGAGEMENT AND REPORTING PRACTICES		REPORT REFERENCE
102-40	List of stakeholder groups	GRI Supplement page 3
102-41	Percent of employees covered by collective bargaining agreements	14
102-42	Process to identify/define stakeholders	GRI Supplement page 3
102-43	Approach to stakeholder engagement	GRI Supplement page 3
102-44	Key topics raised by stakeholders	GRI Supplement page 3
102-45	Entities included in financial statements	5
102-46	Process to define report content	4
102-47	List of material topics	5
102-48	Restatement of information from previous reports	N/A
102-49	Changes in reporting	N/A
102-50	Reporting period	5
102-51	Most recent sustainability report	2019
102-52	Reporting cycle	5
102-53	Contact person for report	sustainability@finning.com
102-54	Claims of reporting according to GRI	5
102-55	GRI content index	49
102-56	Approach to external assurance	5

ENDNOTES:

Note 1: Although we have not formally adopted the precautionary principle (as described in the U.N. Rio Declaration of 1992), our sustainability practices and performance demonstrates our commitment to proactively identify, and prevent or mitigate negative impacts.

Note 2: Finning belongs to the 30% Club, is a member of Catalyst, is a signatory of the Minerva pledge and is a member of the Cat Dealership EHS networks in the regions where we operate.

TOPIC-SPECIFIC DISCLOSURES		
SAFETY AND HEALTH		REPORT REFERENCE
103	Management approach	GRI supplement Safety and Health
403-1	Occupational health and safety management system	GRI supplement Safety and Health
403-2	Hazard identification, risk assessment, and incident investigation	GRI supplement Safety and Health
403-3	Occupational health services	GRI supplement Safety and Health
403-5	Worker training on occupational health and safety	GRI supplement Safety and Health
403-6	Promotion of worker health	GRI supplement Safety and Health
403-8	Workers covered by an occupational health and safety management system	GRI supplement Safety and Health
403-9	Work-related injuries	Performance Tables
EMPLOYEE DEVELOPMENT		
404-1	Average hours of training per employee	Performance Tables
404-2	Skill upgrading programs	12-13
404-3	Percentage of employees receiving performance reviews	Performance Tables
DIVERSITY		
103	Management approach	GRI supplement People
405-1	Diversity of board and employees	Performance Tables
FREEDOM OF ASSOCIATION		
103	Management approach	GRI Supplement People
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ENERGY AND GHG EMISSIONS		
103	Management approach	GRI Supplement Environment
302-1	Energy consumption	Performance Tables
305-1	Direct GHG emissions	Performance Tables
305-2	Indirect emissions	Performance Tables

TOPIC-SPECIFIC DISCLOSURES		
COMPLIANCE (EFFLUENTS, WASTE)		REPORT REFERENCE
103	Management approach	GRI supplement Environment
306-2	Waste, by type and disposal	Performance Tables
306-3	Significant spills, number and volume	Performance Tables
CUSTOMER SAFETY		
103	Management approach	GRI Supplement Environment
403-7	Prevention/mitigation of occupational health/safety impacts directly linked by business relationships (customer safety)	GRI Supplement Products
Company Indicator	In development	NA
CUSTOMER PERFORMANCE AND LOYALTY		
103	Management approach	GRI Supplement Products
Company indicator	Percentage of connected assets	Performance Tables
PRODUCT STEWARDSHIP		
103	Management approach	GRI Supplement Products
Company indicator	Number of components remanufactured	Performance Tables
SUPPLY CHAIN		
103	Management approach	GRI Supplement Supply Chain
Company indicator	In development	NA
COMMUNITY INVESTMENT		
103	Management approach	GRI Supplement People
Company indicator	Volunteer hours (STEM only)	Performance Tables
ETHICS/ANTI-CORRUPTION		
103	Management approach	GRI Supplement Ethics
205-2	Communication about anti-corruption	35

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