

1. Modern Slavery Act Report, Fiscal Year 2023

Blackline Safety Corp. (the "Company", "Blackline Safety", "we" or "our") has created this report to meet our requirements pursuant to the *Fighting Against Forced Labour and Child Labour in Supply Chains Act* (the "Modern Slavery Act"). Blackline Safety is subject to the reporting requirements of the Modern Slavery Act. This report covers our activities on a consolidated basis along with our subsidiaries during our previous financial year, from November 1, 2022 to October 31, 2023 (the "Reporting Period").

Blackline Safety is committed to helping prevent forced labour and child labour (each as defined in the Modern Slavery Act) and human trafficking in all its forms and to act with integrity in all our business dealings. The Company commits to comply with all applicable laws and to act responsibly when dealing with our employees, customers, and suppliers. Blackline Safety operates globally and recognizes the importance of ethical and responsible business practices.

Forced labour and child labour are contrary to our corporate purpose, vision, and values. We hold ourselves to high ethical standards and expect our employees, contractors, suppliers, and members of our Board of Directors and all our subsidiaries to act with integrity and always comply with the letter and spirit of the laws, regulations and rules that apply to Blackline Safety in the jurisdictions in which we operate. If instances arise where these expectations are not met, we strive to respond in an appropriate manner.

2. Steps taken to help prevent and reduce the risk of forced labour or child labour

During the Reporting Period, Blackline Safety has taken the following steps to help prevent and reduce the risk that forced labour or child labour is used at any step of the manufacturing of our business:

- Enhanced our new vendor screening process with additional criteria to address the Modern Slavery Act, including whether the potential supplier has identified any forced labour or child labour within its supply chains; and
- Conducted an annual vendor compliance assessment that was updated to include screening for those vendors who met our identification criteria for potential risk of forced labour or child labour; and
- Introduced and completed mandatory training for employees in our procurement team whose roles require interaction with our vendors.

3. Our structure, activities, and supply chain

Structure

Founded in 2004 and headquartered in Calgary, Alberta, Canada, Blackline Safety is a technology company that is focused on bringing connected worker solutions to the global marketplace. Blackline Safety develops, manufactures, and markets a suite of safety devices and cloud-connected services to help protect workers at their jobs and support businesses undergoing digital transformation.

Blackline Safety is a public company listed on the Toronto Stock Exchange (TSX: BLN) and is incorporated in accordance with the Alberta Business Corporations Act and domiciled in the province of Alberta, Canada. The Company's principal business office is Unit 100, 803 24 Avenue S.E., Calgary, Alberta, T2G 1P5 and the Company's registered office is Suite 2400, 525 8 Avenue S.W., Calgary, Alberta, T2P 1G1.

Blackline Safety Corp.'s wholly owned subsidiaries are Blackline Safety Europe Ltd., Wearable Technologies Limited, Blackline Safety Europe SAS, Blackline Safety Australia Pty. Ltd., Blackline Safety USA Corp., Swift Labs Inc. and Blackline Safety SPV Seller Corp.

Blackline Safety operates primarily in Canada, the United States, Europe, Australia and the Middle East and at the end of the Reporting Period had 508 employees and contractors globally, of which 380 were in Canada.

Activities

Blackline Safety's technology empowers businesses with real-time safety insights to manage emergency responses and evacuations, proactively manage gas detection compliance and increase operational efficiency. When seconds count, Blackline Safety's connected technology enables a live monitoring team to deliver help directly to an employee in the shortest amount of time — to the worker's exact location.

The Company conducts operations from our facility in Calgary, Canada, where we manufacture and assemble our products, maintain our 24/7/365 Safety Operations Centre, as well as carry out research and development, sales and marketing, finance, administration, and other head office functions. The Company also has facilities in the United Kingdom, France, the United States and in the United Arab Emirates, providing support and administrative and other services for the Company's European and international operations, including sales and marketing, finance, and administrative matters.

Supply Chain

Blackline Safety manufactures our products in-house, applying our skilled labour and leading manufacturing practices to build, test and ship products to our customers. Blackline Safety's investment in surface mount technology enables us to populate our own printed circuit board assemblies, increasing control over quality, reducing overall costs, and speeding time-to-market for new products. As a result, Blackline Safety's operations department provides production engineering services to ensure that our products can be manufactured at the highest level of quality and test coverage, technical production problems are corrected and averted, and alternative production methodologies are introduced in order to remain competitive.

Blackline Safety's production and manufacturing operations use a variety of assembly and test techniques in the production of our products, both in-house and outsourced to contract manufacturers. Methods include, but are not limited to, manual, fixtured and semi-automated component assembly using both mechanical and adhesive technologies, fabrication of machined and molded parts, in-house printed circuit board assembly, and component assembly and test within a cleanroom environment. Quality and specification inspection, using various gauge and material analysis equipment, is used in support of production. Services include design, analysis, reliability testing, repair, re-work, and upgrade support. The Company's manufacturing facility is ISO 9001:2015 and 14001: 2015 certified.

4. Policies and due diligence process in relation to forced labour and child labour

Code of Conduct and Ethics

Our [Code of Business Conduct and Ethics](#) (the "Code") incorporates a requirement for all service providers to Blackline Safety to not take unfair advantage of anyone through illegal conduct, manipulation, concealment, abuse of privileged information, misrepresentation of material facts or any other unfair-dealing practice and must respect and obey the laws of the cities, provinces and countries in which we operate and avoid even the appearance of impropriety.

Our Code reflects our commitment to a culture of honesty, integrity, and accountability. It outlines the basic principles and policies with which all service providers are expected to comply. Service providers are our directors, officers, employees, consultants, contractors, contract operators, and any other person or company that provides services to Blackline Safety. We regularly review and evaluate this policy to assess its effectiveness to ensure compliance with applicable laws and international standards. Annually, we require reaffirmation from our employees that they have read and comply with the Code, which helps us meet our business practice standards and comply with applicable laws and regulations.

Our independent whistleblower reporting tool is available to report concerns anonymously regarding violations of Blackline Safety’s employee handbook and corporate policies, including suspected instances of illegal or questionable accounting, internal control, auditing, or people matters. When issues are reported, we investigate, address, and respond, as necessary. We ensure that the appropriate protections are in place for those who report misconduct and are committed to investigating and addressing all complaints reported.

Quality policy

We have a quality policy that outlines our commitment to continuously improve our quality management activities. We are committed to complying with all applicable statutory laws and regulations and establishing high quality standards for our customers and from our suppliers. Our manufacturing facility is ISO 9001:2015 and ISO 14001:2015 certified, of which the ISO 9001:2015 certification procedure contains stipulations regarding our efforts to prevent the risk of modern slavery or human trafficking in our manufacturing process.

Environment, Social and Governance

Blackline Safety is fully committed to respecting human rights and maintaining high ethical standards in all our operations and we do not tolerate modern slavery or human trafficking in any form. The oversight of our policies, governance framework, and sustainability, including policies relating to modern slavery and human trafficking is interlinked with certain of our Environment, Social and Governance (“ESG”) initiatives. Strong corporate governance is fundamental to protecting the long-term interest of shareholders. Our governance structure is comprised of our executive leadership and Board of Directors, which provides a solid framework for accountability and effective oversight of our business.

Our Board of Directors has standing committees to aid in the fulfillment of its oversight duties and responsibilities. Our Governance & Nominating Committee has oversight responsibility for our corporate ESG goals and action plans. We implemented an internal ESG-focused cross-functional team in 2023 with a focus on progressing the Company’s ESG goals. Our Audit Committee oversees financial risks and monitors the management of our principal risks that could impact our financial reporting, including potential future ESG-related disclosures in our public company filing requirements.

Blackline Safety reports annually on its sustainability goals and progress. Our 2023 ESG Report can be found on our website at: <https://investors.blacklinesafety.com/esg>.

5. Assessing and managing the risk of forced labour or child labour being used in our supply chain

During the Reporting Period, we completed an assessment to identify forced labour or child labour risks that could be connected to both our business and supply chain. Our wider supply chain is varied and complex and as a consequence we engage only with the primary vendor and not sub suppliers to a primary vendor in our supply chain. We require all our approved vendors (suppliers providing ATEX/IECEX/UKSI certified product and/or supplies of raw stock or electronic components) to have a quality management system in accordance with ISO 9001: 2015, UL, ATEX QAN, IECEX QAR, or an equivalent standard. We expect our vendors to ensure this requirement throughout their supply chains. We monitor compliance through our purchasing procedures, including but not limited to the new vendor screening scorecard and our annual vendor compliance assessment. In some cases, we have “grandfathered” in suppliers who may not have a quality system in place.

We engage with our suppliers to assess their performance and encourage improvement and ownership of any issues identified. Part of this process includes providing feedback to these vendors and working with them to correct the issues identified or seek vendor diversity to build a more resilient supply chain.

We revised our new supplier vendor screening assessment, in line with our sustainability goals, as referenced in the Company’s 2023 ESG Report to incorporate criteria for compliance with the Modern Slavery Act. We also carry out an annual vendor compliance assessment that includes a review of whether there have been any changes to the policies and compliance requirements, including changes in the risk or identification of modern slavery and human trafficking with our current suppliers. The vendor compliance assessment is reviewed annually to ensure that the criteria in the scorecard are aligned with applicable laws and regulations and any new considerations as they relate to our supply chain.

During the Reporting Period, we incorporated a new risk-based approach for our annual vendor compliance assessment to address the risk of forced labour and child labour during any step of the production of goods in Canada or elsewhere by the entity and of goods imported into Canada. Our risk-based approach enables us to focus on those vendors that we assess as having a higher risk of forced labour or child labour than others and allows us time to implement any required remediation actions, if necessary.

Our methodology involves:

- Identifying the inherent nature of the product or service and the level of complexity in the processes involved in the manufacturing of products or services from our suppliers. We generally consider highly complex processes that use advanced technology to have a lower risk of forced labour and child labour due to the significant costs involved in the technology and training required for employees to perform these activities.

- Identifying the regional risk level of where our suppliers are located. We recognize that some of our suppliers may distribute certain products manufactured in other locations, however we generally consider suppliers distributing from low-risk locations (as determined by our procurement operation group leadership) since these suppliers would have their own policies and procedures in place to mitigate the risk of forced labour and child labour in their own supply chain.

We obtain confirmation from each supplier we review as part of our annual vendor compliance assessment that it adheres to our Code, as well as all applicable regulations and laws. Included in this confirmation, when a vendor supplies its products from a sub-supplier, we require confirmation that forced labour and child labour is not present in any part of its supply chain. We obtain this confirmation as part of our new vendor screening process and suppliers will be reassessed annually as part of our annual vendor compliance assessment. Based on the risk assessment procedures performed, we are satisfied that the answers address the risk of forced labour or child labour being used in our supply chain and direct on-site audits and inspections by Blackline Safety personnel or a third party engaged by Blackline Safety have not therefore been performed.

We also conduct an internal assessment to identify the risk within our business of forced labour or child labour. We require mandatory background checks on all new employees and contractors globally. We also provide various avenues that allow any employee to voluntarily report any instances of unfair worker rights, including the independent whistleblower reporting tool, anonymous annual employee survey, and an annual performance review.

6. Remediation of any forced labour or child labour

We have not identified instances of forced labour or child labour in our business and the supply chains that support our operations.

7. Remediation of the loss of income and measures taken to eliminate the use of forced labour and child labour

Blackline Safety did not identify the existence of modern slavery in our business and the supply chains that support our operations and as such, we have not taken any measures to remediate any modern slavery or to remediate the loss of income to the most vulnerable families that resulted from any measure taken from any of Blackline Safety's actions.

8. Training provided to employees on forced labour and child labour

During the Reporting Period, we introduced and completed mandatory forced labour and child labour training for all employees in our procurement team whose roles require interaction with our vendors.

9. Assessing the effectiveness of our actions


Currently, we conduct an annual vendor screening process on our suppliers which allows us to identify suppliers that may potentially be at risk of violating our Code. During the Reporting Period, there were no instances of forced labour or child labour identified among our suppliers through our supplier monitoring procedures.

We also implemented a new vendor screening process that requires any new potential suppliers to provide us with documentation on forced labour or child labour in their supply chain, among other criteria. We do not engage with any suppliers that tolerate forced labour or child labour in their supply chain or operations.

Approval

This Report was approved pursuant to subparagraph 11(4)(b)(ii) of the Modern Slavery Act by the Board of Directors of Blackline Safety Corp.

In accordance with the requirements of the Modern Slavery Act, and in particular section 11 thereof, I attest that I have reviewed the information contained in the report for the entity or entities listed above. Based on my knowledge, and having exercised reasonable diligence, I attest that the information in the report is true, accurate and complete in all material respects for the purposes of the Modern Slavery Act, for the reporting year listed above.



Cody Slater
Chief Executive Officer and Chair, Blackline Safety Corp.

I have the authority to bind Blackline Safety Corp.



Jason Cohenour
Director and Chair of the Governance and Nominating Committee of the Board of Directors, Blackline Safety Corp.

I have the authority to bind Blackline Safety Corp.

May 31, 2024