



2024 Forced Labour in Canadian Supply Chain – Report Attestation

This report represents the first annual submission for compliance reporting pursuant to the Fighting Against Forced Labour and Child Labour in Supply Chains Act (the Act).

This constitutes a report to the Minister on the steps taken during the first reporting year ending April 30, 2024. As this is an initial report, efforts were made to better understand the reporting requirements and start the process of developing a framework and action plan for the following years.

Consistent with this legislation and our commitment to ethical sourcing, our principal suppliers; representing most of the products purchased, are well established manufacturers and distributors with strong reputations in the industry. More than 98% of all purchases are made in Canada or the USA.

For the current reporting period, Proline Pipe has not become aware of any instances of forced or child labour in our own operations or of our suppliers, and remediation has not been required.

In accordance with the requirements of the Act, and in particular section 11 thereof, I attest that I have reviewed the information contained in the report for Proline Pipe Equipment Inc. Based on my knowledge, and having exercised reasonable diligence, I attest that the information in the report is true, accurate and complete in all material respects for the purposes of the Act, for the reporting year April 30, 2024.

A handwritten signature in black ink, appearing to read "Ray Smitke", is written over a thin horizontal line.

Ray Smitke

President

July 23, 2024



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Who Are We?

Proline Pipe Equipment, with headquarters in Alberta, Canada, has been serving the needs of the domestic and international pipeline industry for over 50 years. Proline manufactures and supplies a wide variety of specialized equipment for pipeline and plant construction. Proline operates from a single location which houses our manufacturing shop, consumable products warehouse, equipment and product service department and sales and management offices. Proline Pipe Equipment Inc. is a Canadian owned and operated company.

Company Policies and Code of Ethics

All staff is employed in Alberta and falls under Alberta Labour Standards. We have a written Employment Policies Handbook, which employees are required to acknowledge and abide by. The Handbook contains a Code of Ethics and Business Conduct section. The section currently does not specifically use the terms “Human Rights” or “Forced Labour” or “Child Labour”, but the understanding is implied. The Handbook will be edited to include the verbiage.

Risk Assessment and Due Diligence

Of the purchases that we made for fiscal 2023-2024, 78% are made to Canadian Vendors, 20% to USA vendors and 2% to international vendors. The International vendor is in Italy.

Our risk is from imported products from the USA and Internationally. This risk is minimized as it is a standard list of vendors that we use to supply our products. We have visited most vendor locations in the USA and Internationally for our business relationships over the years. We are planning to put procedures in place for managers to assess the risk of forced labour and child labour when they visit these locations. This includes evaluating suppliers based on their geographical location, industry practices, and historical data on labour practices.

Supplier Engagement and Code of Conduct

We are creating a Supplier Code of Conduct and getting a commitment from vendors that they agree to abide by the Code. The Code of Conduct topics includes:

- Ethics and Professionalism,
- Conflict of Interest,
- Environmental Protection,
- Abuse and Harassment,
- Human Rights and Labour Standards,
- Human Trafficking, Forced Labour and Child.

We will engage with our suppliers regularly to ensure they understand and comply with these requirements.

Remediation Processes

We have not come across any situation of forced labour and child labour in our organization and in our supply chain. We are planning to prepare a remediation process in case we find forced labour and child labour in the supply chain.

Reporting and Transparency

We are committed to transparency in our efforts to combat forced labour and child labour. We will list on our website this report detailing our progress, challenges, and future plans regarding ethical labour practices in our supply chains on an annual basis. We will also have our Supplier Code of Conduct listed.

Continuous Improvement

Recognizing that the fight against forced labour and child labour is ongoing, we are committed to continuously improve our practices. We will stay informed about the latest developments in labour rights and supply chain management and actively participate in industry initiatives aimed at eradicating forced labour and child labour. We will supply training to our employees who are involved with our vendors to ensure they understand what to watch for and how to mitigate it forced labour and child labour.

We take our responsibilities under Bill S-211 seriously and are dedicated to ensuring that our supply chains are free from forced labour and child labour