

**Threeosix Industrial Services Inc.** is a Western Canadian-based industrial contractor serving the resource and infrastructure sectors. We have endeavored to grow our business on a foundation of integrity by developing long-term and meaningful relationships with project owners and the communities local to each project site. We provide prompt service and are dedicated to acting in the best interests of our clients to always do the right thing.

Our team has a proud history of being a responsible employer and operating in an honest, principled, ethical, and disciplined manner. We pride ourselves on treating employees fairly and respectfully and providing opportunities for advancement for everyone. Being a top-tier organization means a commitment to diversity, inclusion and hiring from the communities within which we work. Our employment policies and standard operating procedures include a prohibition of the employment of forced and/or child labour.

We place great emphasis on our daily goal of providing professionally managed projects, with the intent of creating value for our clients. Our team presents a safety-conscious culture to construction, maintenance, fabrication, and mining that is easily recognized as the new standard.

Threeosix operates across Canada servicing four resource and infrastructure sectors: Energy, Infrastructure, Mining, and Industrial through providing the following services.

1. **Construction:** Threeosix offers a unique service for construction oversight; we represent the owner, managing the entire project end to end. Our specialized teams of consultant engineers and project managers bring decades of expertise in building techniques, strategic thinking, and unparalleled creativity and experience.
2. **Civil:** Construction from the ground up is a highly detailed process that Threeosix eagerly takes on. Whether we're providing a single-site solution or working cohesively as part of the construction team, everything we do is designed to meet the project's highest priorities.
3. **Structural Steel:** Structural steel erection services are often needed to provide the framework for building a complex structure. Threeosix offers safe and efficient structural steel erection services by skilled craftsmen using state-of-the-art methods, equipment and safety procedures.
4. **Mechanical & Piping:** Threeosix has an established reputation as a multi-disciplined piping and mechanical contractor across all sectors. Our team draws together engineering and project management skills with specialist fabrication, installation and commissioning expertise to deliver projects that are technically sound.

Bill S-211, the act to enact the Fighting Against Forced Labour and Child Labour in Supply Chains Act and to amend the Customs Tariff, became effective on April 28th, 2022. It mandates that entities operating in Canada or holding Canadian assets, with a combination of \$20 million in assets, \$40 million in revenue, or 250 employees on average, must report on their efforts to eradicate the risk of forced and child labour in their supply chains.

Threeosix complies with Bill S-211 by integrating Human Rights, Ethical Business Practices, and Anti-Forced and Child Labour principles into its sourcing and procurement processes, client and colleague engagement, and by fostering an ethical culture among employees through targeted recruitment, training, and development initiatives.

Regular training, coaching, toolbox talks, and updates are provided to Threeosix employees by the Health and Safety and Human Resources departments. The company's Code of Business Ethics, Conduct, and Fair Business Practices, along with Procurement and Anti-Forced and Child Labour policies, are applicable to all

internal employees, clients, suppliers, and contractors to ensure adherence to ethical standards and awareness of forced and child labour prevention. Agreement and signature on these policies are prerequisites for employment commencement or the onboarding of new clients, suppliers, and contractors.

The annual Bill S-211 report and Threeosix's policies underscore the company's dedication to upholding internationally recognized human rights and are developed in collaboration with various stakeholders and subject to annual review or as needed to reflect potential changes.

### **Supply Chain:**

Measurements Threeosix has taken to eradicate forced labour and/or child labour in our activities and supply chain:

- I. We have developed comprehensive policies and practices explicitly prohibiting forced and/or child labour and these policies and procedures are communicated to all stakeholders including suppliers and contractors.
- II. We carry out supplier and contractor screening and due diligence by conducting onsite audits, reviewing documentation and assessing labour practices to assess the potential risk of forced labour and/or child labour.
- III. We engage with all our clients, suppliers, and contractors to raise awareness about the importance of eradicating forced labour and/or child labour in our activities and supply chain.
- IV. We encourage our employees and suppliers to report any concerns or violations they observe and also ensure that the appropriate channels of reporting are accessible and confidential.

### **1. Risks:**

Forced labor and child labor in the supply chain can pose significant risks to businesses, including reputational, legal, financial, and ethical. Threeosix has made concerted efforts to implement robust due diligence processes, engage with suppliers and stakeholders, enhance transparency and traceability, and uphold ethical labour standards throughout our supply chain.

We carried out a comprehensive risk analyses for each of our suppliers and contractors providing us various services such as raw steel materials, large equipment procurement (mechanical, electrical, etc.), hard goods (tools, job materials, PPE etc.), and subcontractors to give a clear picture of the risks and areas of urgent attention. The risk assessment matrix is reviewed on a regular basis and urgent risks are communicated to our management team through a report. Each risk is given a score based on likelihood x severity to give the risk rating. The likelihood refers to the possibility of harm against a benchmark throughout the industry and severity is the size or strength of impact on the workers, business, or on Threeosix, where each receives a value of 1-5 and a severity of A-E, We have provided our risk assessment matrix below.

Our target is low risk ratings (3E,2D,2E,1C,1D,1E) and medium low risk ratings (4D,4E,3D,2C,1A,1B) but this will be progressively reduced as we further develop our internal risk management controls.

Probability of Occurrence			Severity				
Likelihood	Meaning	Value	Catastrophic	Critical	Moderate	Minor	Insignificant
			A	B	C	D	E
Frequent	Risks that occurs frequently	5	5A	5B	5C	5D	5E
	Will be continuously experienced unless action is taken						
Likely	Risks that are highly likely to occur	4	4A	4B	4C	4D	4E
	Occurs less frequently if corrective action is taken						
Occasional	Occurs sporadically	3	3A	3B	3C	3D	3E
	Discovered through surveillance						
Seldom	Unlikely to occur	2	2A	2B	2C	2D	2E
	Rarely reported						
Improbable	Highly unlikely to occur	1	1A	1B	1C	1D	1E
	Never previously reported						

Explanation of Risk Levels:

- Risk is **High** for codes 5A,5B,5C,4A,4B,3A (in red)
- Risk is **Medium High** for codes 5D,5E,4C,3B,3C,2A,2B (in orange)
- Risk is **Medium Low** for codes 4D,4E,3D,2C,1A,1B (in yellow)
- Risk is **Low** for codes 3E,2D,2E,1C,1D,1E (in blue)

We are pleased to confirm that there have been no instances of forced or child labour within our company or supply chain. Our commitment to enhancing transparency, mitigating risks, and safeguarding employees across our supply chain and business relationships remains steadfast.

Our supply chain's primary base in Canada affords us a more robust oversight of supplier management and processes. The construction industry's demand for skilled tradespeople has historically fostered long-term career opportunities. However, we recognize certain industry-specific risks:

- Elevated health and safety concerns due to heavy machinery and intensive manual labour.
- Challenges in regulatory oversight and audit accessibility due to the remote locations of some project sites, which may also contribute to increased work hours.

Should any incidents of forced or child labour come to light, Threeosix is prepared to act promptly to assist the affected individuals, including referrals to government bodies and leveraging our internal policies and training programs.

Threeosix is dedicated to the continual evaluation and enhancement of our Bill S-211 annual report, along with our policies and procedures, to ensure robust protection against any form of mistreatment within our supply chain or company.



Scott Longmuir – CEO