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Introduction

The following report has been drafted by Boundary Electric (1985) Ltd. in alignment with section 11 of Bill S-211 for the financial year ending March 31st, 2025. The entity covered by this report is Boundary Electric (1985) Ltd. (Business Number: 100594894).

Boundary Electric (1985) Ltd. meets the definition of a reporting entity under the act by having a place of business in Canada, doing business in Canada, and having assets in Canada. Furthermore, Boundary Electric (1985) Ltd. meets two out of the three size-related thresholds related to revenue, assets, and workforce alongside meeting the criteria for importing and selling goods.

Fundamental to Boundary Electric (1985) Ltd.'s business ethos are the principles of honesty, integrity, and transparency governing the organization's operational framework. Compliant with the stipulations outlined in Bill S-211, this report details the structured methodology and initiatives implemented to pre-emptively mitigate potential risks associated with the use of forced and child labour across the supply chain and business operations.

Section A: Structure, Activities, and Supply Chains

Boundary Electric (1985) Ltd. operates as a Canadian entity headquartered in British Columbia, Canada and operates in the energy and infrastructure sector, specializing in the sale of transformers, switch gear, substations, modular data centers, and other electrical solutions. Boundary Electric (1985) Ltd. serves customers within Canada as well as internationally, predominantly in the United States.

Boundary Electric (1985) Ltd. suppliers are generally large electrical equipment manufacturers which are not conducive to employing children. Overall, the industry requires highly skilled workforce which acts as a natural barrier for child labour.

Section B: Policies and Due Diligence Processes

At Boundary Electric (1985) Ltd., preserving ethical integrity throughout operations and supply chains is of paramount importance. Boundary Electric (1985) Ltd.'s commitment to ethical business conduct is underscored by the proactive engagement with suppliers to identify and mitigate any potential risks, including the use of forced or child labour, and other unethical behaviors within operating activities.

In alignment with Boundary Electric (1985) Ltd.'s commitment to ethical business standards, we remain resolute in the mission to enhance our supply chain due diligence methodologies, aiming to proactively mitigate the potential occurrence of forced or child labour within operational and supply chain activities. The dedication to this cause is underscored by the execution of the risk assessment procedures discussed in Section C of this report.

In accordance with the core tenet of ethical business practices, Boundary Electric (1985) Ltd. has hired a Director of Purchasing who will be reviewing our existing supplier relationships and will establish a supplier code of conduct with the aim of ensuring we conduct business with suppliers that maintain a high standard of ethics, honesty, and transparency within the supply chain. We are also implementing policies and due diligence processes related to identifying and managing forced and/or child labour through embedding responsible business conduct into policies and management systems. This will fundamentally and proactively limit the risk of association with forced and child labour for Boundary Electric (1985) Ltd.

The following are some of the organizational guidelines which will be included in the supplier code of conduct:

- 1. Boundary Electric suppliers and contractors are expected to develop and sustain a formal code of conduct governing their business practices.*

2. All supplier and contractor personnel are expected to maintain the highest levels of personal and business integrity and exercise good judgment.
3. All Boundary Electric suppliers must conform to contractual specifications and applicable statutory and regulatory requirements.
4. Violation of government legislation governing human rights, child labour, human trafficking, and all forms of modern slavery as defined and prohibited by such legislation (Boundary Electric is opposed to all such forms of abuse and exploitation in its business operations and seeks to align itself with organizations that adhere to similar ethical and legal standards),

Section C - Forced Labour and Child Labour Risks

In the previous fiscal year, Boundary Electric (1985) Ltd. had not initiated any formal risk identification procedures concerning forced or child labour and therefore, no risks were identified during this period. As part of the ongoing commitment to detecting potential risks, Boundary Electric (1985) Ltd. conducted a supply chain risk assessment. This assessment drew insights from reputable sources such as the Walk Free Global Slavery Index, the OECD Due Diligence Guidance for Responsible Business Conduct, and the US Department of Labour's List of Goods Produced by Child Labour or Forced Labour. These sources were chosen for their relevance to Canadian entities concerning forced or child labour risks. Through this approach, Boundary Electric (1985) Ltd. effectively identified potential risks associated with specific countries in their supply chains.

The core objective of this risk assessment is not to presuppose the existence of forced or child labour within operations or supply chains. Rather, it intends to uncover potential instances where such risks might manifest, thus enabling Boundary Electric (1985) Ltd. to efficiently address and remedy any of these situations. Acknowledging the prevalent nature of forced and child labour across diverse industries, the assessment recognizes susceptible sectors and geographic regions of the supply chain, particularly in areas where regulatory oversight and enforcement mechanisms may be less rigorous.

The assessment prioritized specific geographic regions flagged by reputable sources such as the Walk Free Global Slavery Index, which highlight increased risks associated with forced and child labour practices. This geographical risk assessment was supplemented by an examination of product categories susceptible to forced or child labour, thereby fortifying the precision of risk assessment.

Risk Assessment Findings

Through the performed risk assessment, Boundary Electric (1985) Ltd. has identified its suppliers in three countries – Canada, United States, and China. Imports from China accounted for a majority of procurement spend followed by Canada, and United States. All countries within the identified import portfolio present a low risk in terms of prevalence of modern slavery, according to the Walk Free Global Slavery Index.

Additionally, Boundary Electric (1985) Ltd. reviewed data from the US Department of Labour's List of Goods Produced by Child Labour or Forced Labour. This evaluation plays a crucial role in identifying specific items within imported goods that may be vulnerable to forced or child labour. Through this comparison and cross check, it was determined that the importation of electronics from China, such as transformers pose a potential risk of forced or child labour within Boundary Electric (1985) Ltd.'s portfolio of imported goods. While this risk does exist, Boundary Electric has been doing on-site reviews of our main suppliers in China and our Director of Procurement will be tasked with auditing their processes to ensure they comply with our upcoming supplier code of conduct.

To summarize, the risk assessment findings suggest a relatively minimal level of exposure to forced and child labour risks within the supply chain. However, this does not detract from Boundary Electric (1985) Ltd.'s dedication to recognizing and addressing potential risks through risk management protocols and policies. In

response to any identified risks, Boundary Electric (1985) Ltd. will evaluate opportunities to dedicate additional resources and efforts toward strengthening the mitigation and management of forced and child labour risks.

Section D - Remediation Measures

As no instances of forced or child labour were identified within either Boundary Electric (1985) Ltd.'s supply chain or operating activities during the previous fiscal year, this negated the requirement for any remedial actions in this period. Consistent with the United Nations Guiding Principles on Business and Human Rights, we underscore the significance of implementing robust and thorough remedial measures upon the discovery of any such instances.

Despite the absence of documented instances of forced or child labour, Boundary Electric (1985) Ltd.'s vigilance remains constant, and we are ready to proactively address any potential eventualities. Acknowledging the nuanced nature of supply chain intricacies, Boundary Electric (1985) Ltd. highlights the significance of nurturing steadfast partnerships with dependable and ethically aligned suppliers to facilitate the execution of requisite remedial measures, as required.

Section E - Remediation of Loss of Income

In the previous fiscal year, Boundary Electric (1985) Ltd. operations and supply chains indicated no instances of forced or child labour. The risk assessment conducted highlighted a relatively low overall risk associated with forced or child labour within the supply chain. Consequently, no specific initiatives were instituted to mitigate potential income loss among vulnerable communities.

Recognizing the importance of swift and effective responses, Boundary Electric (1985) Ltd. is committed to promptly addressing any such occurrences. In cases where initiatives to eradicate forced or child labour might affect the income or livelihood of vulnerable families, appropriate remedial actions will be implemented.

Section F - Training

In the previous fiscal year, Boundary Electric (1985) Ltd. did not administer any mandatory or optional training sessions for the workforce regarding the company's code of conduct, specifically addressing issues of forced and child labour within the supply chain. We did, however, issue an updated code of conduct and ethical standards policy which addressed this issue and had to be reviewed then signed off by all employees. Boundary Electric (1985) Ltd. remains committed to the potential implementation of more detailed training programs and maintaining the commitment to ethical standards.

We are committed to fostering a supply chain and workforce that is collectively vigilant and pre-emptive in the endeavors to address the issue of forced and child labour within business operations.

Section G - Assessing Effectiveness

Although there are no current policies or procedures in place to assess the efficacy of preventing forced or child labour within the operations and supply chains of Boundary Electric, there is firm dedication to adopting stricter measures if such instances occur or as industry standards evolve.

For the future, Boundary Electric (1985) Ltd. are exploring the monitoring of key performance indicators (KPIs) to measure the effectiveness of implemented policies and procedures.

Attestation

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 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 Act, for the reporting year listed above.

Cherisse Bartlett

Full Name

VP of Finance

Title

May 31, 2025

Date

Cherisse Bartlett

Signature*

* "I have the authority to bind 'Boundary Electric (1985) Ltd.'"