

BILL S-211 – Reporting Period 2025

BILL S-211

Modern Slavery Statement for the Financial Year ending June 30, 2025.

Fighting Against Forced Labour and Child Labour in Supply Chains Act (2023) (the “Supply Chain Act”) requires certain businesses to publish a statement setting out the steps taken to prevent and reduce the risk that forced labour or child labour are used in the production or importation of goods.

This statement is made pursuant to Bill S-211, and outlines the approach and initiatives by Parallel One Enterprises Ltd. (“**Parallel One Enterprises**” or the “**Company**”) to identify and address the risks of forced labour and child labour in its operations and supply chains during the financial year commencing July 1, 2024 and ending June 30, 2025.

STRUCTURE, ACTIVITIES AND SUPPLY CHAINS

Parallel One Enterprises Ltd. was established July 18, 2019 and uses this name as both the business name and operating name. Its head office is located at 1879 Brownmill Road, Quesnel BC V2J 0C7.

Parallel One Enterprises is a construction company providing products and services to industrial clients. Our business is comprised of 4 core segments: design-build of heavy manufacturing equipment and structural steel builds; installation and maintenance of systems & equipment; general construction; maintenance consulting.

100% of the Company’s aggregate products are purchased from North American suppliers who are affiliated with major metals distribution companies in Canada and the United States. Our supplier supply chains are predominantly Domestic-based (North American) at approximately 90%, and Off-Shore based at approximately 10% for items not produced in North America or items not available in sufficient quantities.

The Company’s aggregate purchases include: Raw structural steel such as beams, angle iron, plat steel, round stock and flat bar; Pipe and tubular products; Hot rolled sheet metal; Perforated metal; Components such as valves, flanges and fittings; Occasional purchases of non-ferrous metals such as aluminum.

POLICIES AND COMPLIANCE

Parallel One Enterprises has policies and standards in place to ensure business is conducted in a legal and ethical manner.

Anti-Harassment Policy – Parallel One Enterprises promotes a working environment free from harassment with its Anti-Harassment Policy. Harassment is prohibited by the *Human Rights Act of British Columbia*. Harassment lowers morale and is damaging to the work environment. It is considered a serious act of misconduct and may subject a worker to disciplinary action, up to and including termination of employment.

The Company’s Anti-Harassment Policy identifies required business conduct and ethics to ensure ethical business practice and compliance with applicable law. Every employee is required to sign and agree to the Policy and applicable conduct. The Company monitors compliance to support a positive, equitable and harassment free workplace.

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Health & Safety Policy – The Company’s Health & Safety Policy is included in the Health & Safety Orientation manual provided to all personnel. It provides employees with a thorough indoctrination into the Company’s rules and governing regulations and codes for a safe and harassment-free work environment.

Supplier Policy – The Company’s Supplier Policy expressly prohibits the use of forced labour or child labour in its supply chain. The Supplier Policy clarifies Company expectations of legal, ethical, environmental, human rights and Health & Safety compliance. The Policy articulates that supplies be purchased from established, vetted and professional suppliers who oblige by North American regulatory standards and applicable laws.

The Supplier Policy defines Company expectations regarding the goods it procures and effort in verifying that suppliers prevent forced labour and child labour in their workforce and supply chain.

DUE DILIGENCE GOVERNANCE

Operations and Employee Vetting

Effective processes are applied by Parallel One Enterprises in vetting and recruiting new employees and ensuring their legal entitlement to work in Canada.

Parallel does not use forced or compulsory labor. Parallel recruits its employees and provides working conditions, including payment of wages and benefits, that comply with applicable laws and regulations.

Parallel forbids the use of child labour in our workforce. All Parallel employees are of legal employment age as attested to as part of our hiring process.

All new employees undergo a comprehensive Human Resources onboarding process where they are made aware of the Company’s standards and policies including being provided with a comprehensive Health & Safety Orientation manual. The majority of employees are permanent and full-time. Ardent practices are in place for assessing compensation and verifying and governing employee payments, per Canadian Law and the Company’s equitable compensation standards.

Supply Chain

The Procurement and Risk Management Teams oversee Parallel One Enterprises’ due diligence and vetting process to ensure Company policies, high business standards and human rights are enforced. The Company’s risk-averse approach considers the supplier country of origin to eliminate any chance of global slavery in the Company’s supply chain.

Parallel One Enterprises Ltd. requires all suppliers and contractors to adhere to the human rights laws of the United States and Canada.

Parallel One Enterprises has long term and trusting relationships with suppliers who have strong reputations and ethical business practices. In addition to human rights governance, the Company’s major North American suppliers are governed by ASTM and/or ASME Certification, in order to meet North American and global standards. ASTM and ASME certification provide additional assurance of a supplier’s credibility, reputation and due diligence of quality control standards.

American Society for Testing and Materials International (ASTM) develops International Standards in Quality and Health & Safety. The American Society of Mechanical Engineers (ASME) develops global Engineering Standards.

Mill Test Certificates

Parallel One Enterprises Ltd. is required by law to keep Mill Test Certificates (MTCs) provided by our steel suppliers, should verification be required on metallurgy and associated chemical and physical properties such as tensile strength and hardness. These certificates are critical both for Quality performance and Safety. Additionally, MTCs define the country of origin.

MTCs are otherwise known as Mill Test Reports. They must be kept on file in order for the Company to receive annual CWB certification. Further, they are used by clients to verify critical long-term performance, adherence to specifications and accountability through traceability.

The Company's due diligence process in preserving MTCs is therefore imperative to support legal, certification and client requirements. Mill Test Certificates serve as part of the Company's due diligence process in verifying country of origin.

RISK MANAGEMENT

Risk of Forced or Child Labour

Parallel One Enterprises does not contract its purchasing to third parties. All purchasing is completed in-house with our resident Purchasers. This provides the Company with greater assuredness that Company suppliers have been properly vetted and operate without forced labour or child labour in their supply chains.

Items procured by the Company are not included in the *World Vision Supply Chain Risk Report 2023*, nor are they included in the *Sweat & Toil Magazine, 2023 Findings on the Worst Forms of Child Labor* (US Dept of Labour).

Given the Company's commitment to harassment-free, equitable and ethical business practices along with the assessment of Company operations and supply chain, we consider the risk of forced labour or child labour in our supply chain to be very low.

Parallel One Enterprises Ltd. has not and would not knowingly engage with any supplier who is in violation of fundamental human rights including forced labour and child labour. No forced labour or child labour has been identified in our operations and supply chains, therefore no remediation measures have been enacted.

As part of the Company's Risk Management Program, training has been developed to mitigate the risk of forced and child labour including considering the country of origin with respect to the Company's products and the *Global Slavery Index*.

Employee Reporting

Employees are mandated to put Safety first which includes speaking up regarding Safety and Human Rights concerns pertaining to themselves, other employees and the Company at large. This mandate is without any risk of negative repercussions to the employee. To the contrary, employees are encouraged to raise concerns and to bring any concerns to the attention of any Lead, Supervisor or Manager. With lean corporate operations there is a clear reporting process to Company Ownership and Senior Management of any concerns.

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Training

Supply Chain training was originally developed in 2024 for Risk Management, Procurement and Safety personnel and continues annually with applicable updates, as required by the Supply Chain Act.

Training focuses on Awareness, Education, Governance and Policies, to prevent forced labour and child labour in the Company's supply chain.

The Company's Training includes enacting awareness and support of key entities addressing modern slavery concerns, such as: *Fighting Against Forced Labour and Child Labour in the Supply Chains Act - Canada; International Child Labor & Forced Labor Reports - USA; Global Slavery Index; World Vision Supply Chain Risk Report*. The most current reports are sourced.

In 2025, the Company added the *Forced and Child Labour Training Course* provided by RightsDD (available in video format) to its training.

APPROVAL

On behalf of Parallel One Enterprises Ltd. this statement was approved by its Board of Directors on May 30, 2025.

Regards



Myra Mero, Business & Risk Manager
Parallel One Enterprises Ltd.