



blacklinesafety

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**2021 ENVIRONMENTAL, SOCIAL  
AND GOVERNANCE REPORT**

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# ESG: THE BLACKLINE SAFETY APPROACH

Blackline Safety is proud to release its second environmental, social and governance (ESG) report. By tracking our ESG performance annually, this additional accountability foundation supports the continued sustainable growth of our business towards creating long-term value to our stakeholders.

Generally, this report is informed by the Sustainability Accounting Standards Board (SASB) framework for Technology-Hardware and Software & IT Services and the Global Reporting Initiative (GRI). Our approach also aligns with the United Nations' Sustainable Development Goals (UN SDGs). We share the view that businesses have a key role to play in addressing global challenges related to climate action, gender equity, energy, and water among others, in support of a better and more sustainable future for all.

We are committed to taking the next step in our disclosure by aligning with the Task Force on Climate Related Financial Disclosures (TCFD) recommended guidelines in future reports. The reporting period of this report covers the global operations of Blackline Safety for the fiscal years ended October 31, 2021 and 2020 unless otherwise noted.

While this is our second ESG report, it is the first in which we have calculated our greenhouse gas (GHG) emissions. Such calculations were informed by the [GHG Protocol](#), which is the leading corporate guide for emissions measurement and reporting. We are working to improve the accuracy of our emissions data as methodologies change and technology used to retrieve and analyze environmental data evolves.

We welcome your feedback at [esg@blacklinesafety.com](mailto:esg@blacklinesafety.com).



## MESSAGE FROM OUR CEO AND BOARD CHAIR

At Blackline Safety, we have always focused on initiatives that help embed greater resiliency and adaptability into our overall business model and safeguard the value we have created. Our investments in talent, environmental sustainability and protection, a strong and flexible supply chain and various risk mitigation programs build a better company – and a better world.

Throughout 2021, we focused on advancing our ESG initiatives through target setting and execution, improved disclosure and community engagement to deliver robust operations that support

sustainable, long-term growth. In so doing, we also align with the ESG value we have always brought to our customers through our connected safety technology that saves lives and enhances operational performance.

### 2021 ESG ACHIEVEMENTS

- Grew a diverse and inclusive workforce, with 30% ethnic representation—an increase of 6% year-over-year—and an 8% increase in women in management. To further build a culture of belonging and inclusion, the company will increase its engagement with underrepresented groups as part of recruitment and increase mentorship support and leadership opportunities.
- Improved overall employee engagement to 76%, while nearly doubling the global workforce, and continued to expand training and development opportunities and comprehensive benefits coverage including \$5,000 mental health support for Canadian employees.
- Collected over 170 billion data points to date through Blackline Live, upheld by the highest standards of data security and privacy measures in line with GDPR and SOC 2 compliance.
- Doubled community investment year-over-year and tripled the number of nonprofits supported, with areas of support to organizations aligned to the company's vision.
- Increased roster of vendors by sourcing alternates as much as possible, to mitigate risk obtaining materials and foster greater diversity and resiliency in the company's supply chain.

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While we are proud of these achievements, we recognize there is always room to do more. To that end, we have added ambitious short, medium and long-term goals and targets across many of our material ESG focus areas, outlined in greater detail in this report.

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### **NET-ZERO BY 2023**

Most notably, as we continue to evolve our ESG strategy to create value for all our stakeholders—from employees to customers to investors—we have set a bold objective to be a net-zero emissions company by 2023, contributing to the net-zero goals of our customers, investors and our society. Climate change presents a significant environmental and financial risk to the global economy and we have a collective role to play in protecting our planet. Through the past year we calculated Scopes 1, 2 and 3 GHG emissions to establish a baseline and identify key levers to achieve our net-zero goal. Our strategy outlines several pathways including reducing our energy inputs through lean and efficient manufacturing, turning to renewable sources as much as possible, investing in carbon offsets, minimizing our waste, and seeking diversity in the supply chain.

I encourage you to read the full report for more information on our climate change plan and other initiatives. Blackline Safety's history of innovation, experience supporting the ESG efforts of our customers, and the ingenuity of our people leave us well-positioned for what lies ahead. As we move forward in our ESG journey, we are excited to build on our strategy and update stakeholders on our performance and progress. I want to personally thank everyone at Blackline Safety for their role in this critical and worthy work and I am confident about what we can achieve together.



**Cody Slater**

Chief Executive Officer & Chair



## **MESSAGE FROM OUR GOVERNANCE, COMPENSATION AND SUSTAINABILITY COMMITTEE CHAIR**

Now, more than ever, product, business and organizational strategy needs to incorporate ESG performance in line with both rising stakeholder expectations and delivering responsible growth and long-term shareholder value creation. As a Board, it is a key priority area.

Continuing my second year as Lead Independent Director and Chair of the Governance, Compensation and Sustainability Committee, I am pleased with the progress made in Blackline

Safety's fiscal 2021 ESG results. The company strengthened its diversity, equity and inclusion efforts with an 8% increase in women in management to 35% and a 6% increase in the ethnic diversity of its workforce year-over-year. And as the company workforce doubled, employee engagement increased to 76%.

Looking ahead, Blackline Safety's net-zero target, which has full support of the Board, builds upon the momentum already created aligning organizational efforts with meaningful participation in the energy transition. Actions completed over the year to understand emissions, establish a baseline, and put together a pragmatic plan to get to net-zero make the pledge more than just a statement.

The Board continues to be actively engaged in its oversight of Blackline's approach to managing ESG issues under a governance framework that provides clear oversight and accountability. From our Board of Directors to our Executive Management Team, we are committed to integrating ESG considerations across our operations and into our strategic decision-making to strengthen not only our own performance, but the sustainability expectations of our customers, investors, supply chain and society as a whole.

A handwritten signature in black ink, appearing to read 'Cheemin Bo-Linn', with a long horizontal flourish extending to the right.

**Cheemin Bo-Linn**

Lead Independent Director & Governance,  
Compensation and Sustainability Committee Chair



## ABOUT BLACKLINE SAFETY

Founded in 2004, Blackline Safety Corp. (Blackline Safety) is a global connected safety technology leader with a Hardware-enabled Software-as-a-Service (HeSaaS) business model. Headquartered in Calgary, Canada, we also have offices in the United Kingdom (UK), France and most recently, Houston, United States (USA) and Dubai, United Arab Emirates.

In the spirit of reconciliation, we acknowledge that we live, work and play on the traditional territories of the Blackfoot Confederacy (Siksika, Kainai, Piikani), the Tsuut'ina, the Îyâxe Nakoda Nations, the Métis Nation (Region 3), and all people who make their homes in the Treaty 7 region of Southern Alberta. We would also like to acknowledge that the land we occupy today has served as a site of Indigenous peoples, specifically the Atakapa-Ishak, Tāp Pīlam Coahuiltecan, the Sana band of the Tonkawa tribe, and Karankawa nations. Only the Atakapa-Ishak and Tāp Pīlam Coahuiltecan Nations have survived.

Our talented team of designers and engineers combine their drive for innovation with data-driven customer feedback to create, manufacture and manage our award-winning portfolio of gas detectors, area monitors, and lone worker devices in-house. These connected devices, coupled with our safety software, data analytics and reporting, empower businesses with real-time safety insights and professional monitoring to manage emergency responses and evacuations, proactively manage gas detection compliance, and optimize productivity and efficiency.

# TRUSTED BY THOSE WHO SHARE OUR COMMITMENT TO SAFETY

Our customers choose us because of one common desire – to keep workers safe by providing superior products, and by maintaining an unwavering commitment to safety. With proven, industry-leading safety cultures, these are some of the organizations we are proud to work with:

## INDUSTRIAL



## TRANSPORTATION



## ENERGY



## CONSUMER GOODS



## YEAR IN REVIEW

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Fiscal 2021 was a record-setting year for Blackline Safety. We achieved **\$54.3 million in overall revenue** (up 42% over the previous year), including a **93% increase in product revenue** and **16% increase in service revenue**. The results are evidence the industries we serve are prepared to invest in opportunities that maximize workplace safety and productivity.

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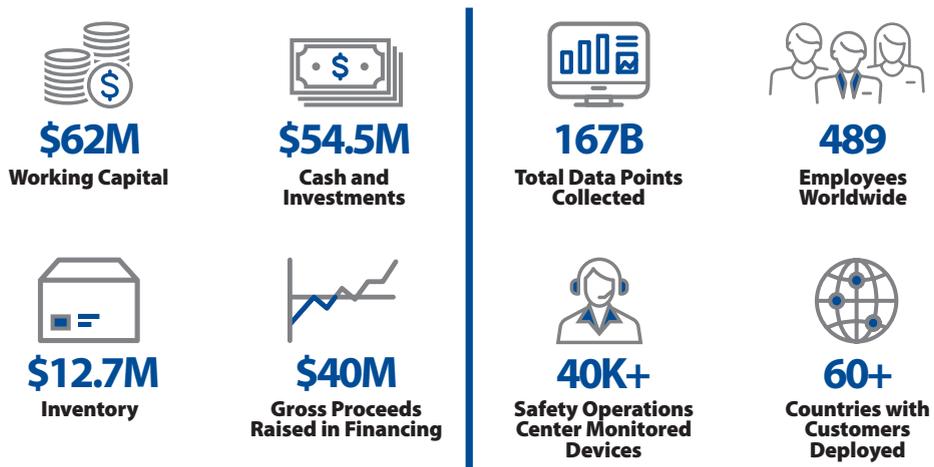
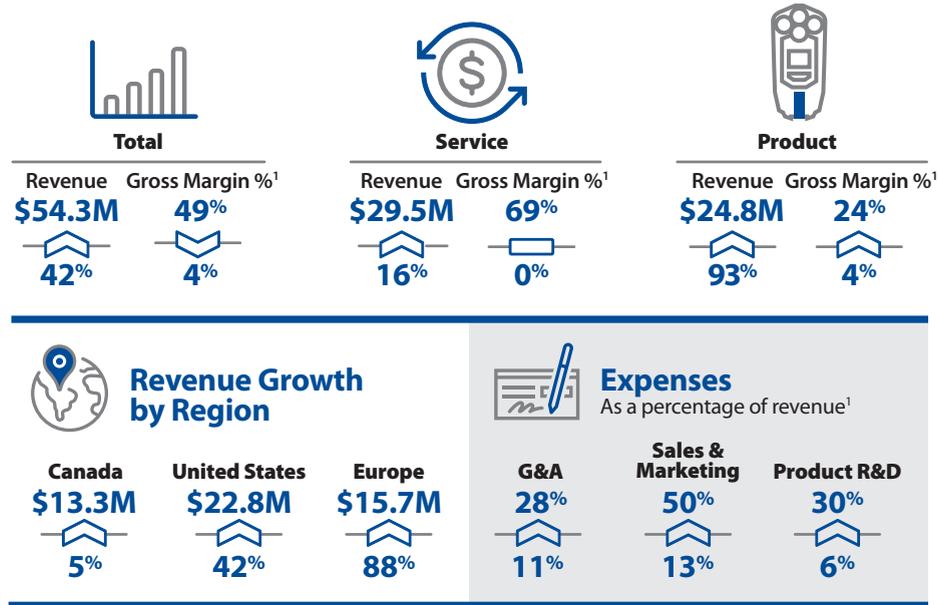
We also continued to play an integral part in keeping workers safe, while contributing to digital transformation efforts. We invested \$16.4 million and \$27.0 million in our research and development roadmap and sales and marketing initiatives, respectively. These initiatives accelerate our strategies in product commercialization, expanding our sales network and equip our team with new digital lead generation capabilities, all while opening new markets and new applications for our products and services.

2021 saw us bring the G6 to the verge of commercialization for the compliance focused market, which will allow us to truly disrupt the unconnected legacy products that currently dominate that market.

We also completed our first corporate acquisition of Wearable Technologies Limited to fast-track our entry into the construction and light industrial market with the development of the G5 connected safety garment, scheduled for launch in FY2023. We also established a new European Union (EU) based subsidiary in France which, in part, helps reduce the environmental impact of shipping devices for servicing and warranty and better service our customers throughout Europe. Integrating these two new subsidiaries into our ESG strategy at the onset has been and will continue to be a priority.

We ended fiscal 2021 with \$54.5 million of cash and investments – and no debt – giving us the flexibility to achieve our sustainable growth strategies in product commercialization and sales and marketing. Our graduation to the Toronto Stock Exchange (TSX) in June 2021 further raised our profile as a world leader in connected safety, helping us deliver even greater lifesaving solutions and efficient compliance to organizations that strengthen their ESG programs.

# Closed record year with **\$54.3 million** in total revenue



FY2021 information presented above provides a year-over-year comparison of the Company's results for the year ended October 31, 2021 to the Company's results for the year ended October 31, 2020. For further information, please see the applicable financial statements and Management's Discussion & Analysis (MD&A) of the Company available for review on the Company's website at [www.blacklinesafety.com/investors](http://www.blacklinesafety.com/investors). <sup>1</sup>This infographic presents certain supplementary financial measures to assist readers in understanding the Company's performance. These supplementary financial measures are more fully defined and discussed in the Company's MD&A for the year ended October 31, 2021 under the heading "Non-GAAP and Supplementary Financial Measures", which is incorporated by reference in this infographic and available on SEDAR under the Company's profile at [www.sedar.com](http://www.sedar.com).

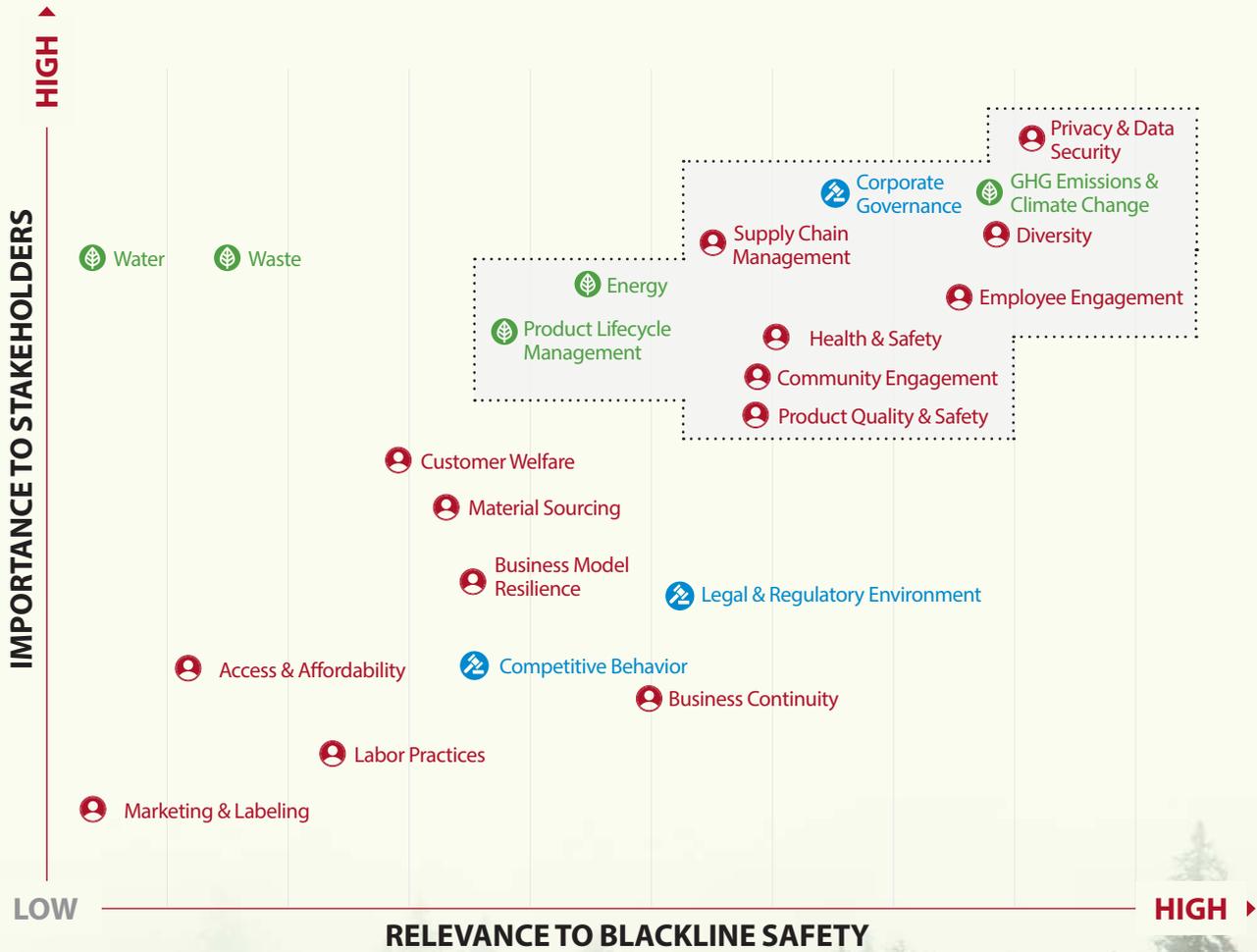
# OUR ESG APPROACH

The identification of material ESG focus areas is vital to the effective management of ESG risks and opportunities. With oversight from our Board and Executive Management Team, in fiscal 2021 we updated our materiality assessment of ESG risks with reference to the Sustainability Accounting Standards Board (“SASB”) materiality map, ensuring alignment with accepted standards. We engaged key internal leaders, recognizing they best captured their respective external stakeholder priorities, to clarify our most significant business risks and opportunities for impact. Refer to our [Stakeholder Framework](#) for further information. We are following evolving guidance around ESG disclosure and will work towards aligning our disclosures with the recommended frameworks in future reports.

Utilizing the results of this process, we have added GHG emissions & climate change and product quality & safety to our material ESG focus areas that are financially and operationally impactful to our organization in the medium and long-term. We also continue to proactively monitor emerging ESG issues to determine their impacts on our business.

We are committed to reviewing and updating our ESG material focus areas on an annual basis, with consideration given to changes in our business, results of the 2021 ESG program and the evolving ESG landscape. We recognize the importance of engaging our stakeholders and will continue to actively seek input from them on matters we consider critical to the sustainability of our organization. Refer to our [Stakeholder Framework](#) for further information on how we engage stakeholders.

We aim to provide clear and consistent disclosure relating to our identified material ESG focus areas, demonstrating transparency to enable informed decision-making by all stakeholders.





Environmental



Social



Governance

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## **CORPORATE GOVERNANCE**

Strong corporate governance is fundamental to protecting the long-term interests of shareholders. Our governance structure and policies provide a solid framework for accountability and effective oversight, including appropriate disclosure.

More information regarding our approach to corporate governance can be found in our [Annual Information Form](#) as well as other policies and documents on our [website](#).

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# BOARD COMPOSITION AND COMMITTEES

Corporate governance starts at the top with the Board of Directors. Our Board members provide a mix of skills, expertise and experience, and stewards the strategic direction of Blackline Safety through engagement, diversity of thought and independence. During the year ended October 31, 2021, the Board was made up of seven directors, six of whom were independent, with top-level experience across multiple industries and professional disciplines (In our fiscal 2020 baseline year we had five directors, four of whom were independent).



**Cody Slater**  
Chief Executive Office and Chair



**Cheemin Bo-Linn**  
Lead Independent Director



**Dr. John Finbow**  
Independent Director



**Brad Gilewich, CPA, CA**  
Independent Director



**Michael Hayduk, LL.M., Q.C.**  
Independent Director



**Robert Herdman, FCPA, FCA**  
Independent Director



**Barbara Holzapfel**  
Independent Director

The Board has two subcommittees to help fulfill its duties and responsibilities and ensure proper oversight of Blackline Safety – the Audit Committee and the Governance, Compensation and Sustainability Committee.

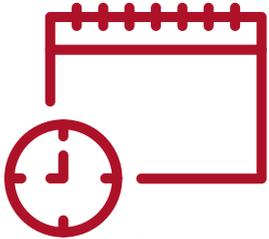
Our Board of Directors has a broad mix of essential skills, expertise and experience:



<p><b>Accounting and Finance</b></p> <p>Experience with, or understanding of, financial accounting and reporting, corporate finance, internal controls over financial reporting, and IFRS</p>	✓	✓		✓	✓	✓	
<p><b>CEO/Senior Management</b></p> <p>Experience as a CEO or senior executive</p>	✓	✓	✓	✓			✓
<p><b>Public Company</b></p> <p>Experience as a CEO, senior executive, or Board member of a public company (other than Blackline Safety)</p>	✓	✓	✓		✓	✓	✓
<p><b>Governance</b></p> <p>Experience in corporate governance principles and practices</p>	✓	✓	✓	✓	✓	✓	✓
<p><b>Human Resources/Compensation</b></p> <p>Experience in, or understanding of, compensation plans, leadership development, talent management, succession planning, and general human resource principles and practices</p>	✓	✓	✓	✓	✓	✓	✓
<p><b>Risk Management</b></p> <p>Experience in, or understanding of, internal risk controls, risk assessment, risk management and/or reporting, including risks related to environmental and social issues</p>	✓	✓	✓	✓	✓	✓	
<p><b>Technology</b></p> <p>Senior executive experience in the technology industry</p>	✓	✓	✓	✓	✓	✓	✓

## BOARD DIVERSITY, EQUITY AND INCLUSION

To reflect our belief that diversity and inclusion at all levels drive our core values forward, we have adopted a Board Diversity Policy. The Governance, Compensation and Sustainability Committee oversees and reviews the policy and agrees on appropriate targets, including a target of having at least 25% women on the Board.



**8.1 YEARS**  
AVERAGE TENURE  
ON BOARD



**29%**

**FEMALE DIRECTORS,**

including Lead Independent Director, compared to Canada's Technology, Media & Telecommunications industry average of 26.3% (according to [Deloitte's seventh edition Woman in the boardroom report \[2022\]](#))

# RISK MANAGEMENT

Identifying our material ESG focus areas adds value and enhances our long-term business resilience and profitability. Understanding how each focus area impacts our organization is critical to ensuring we properly manage our risks and opportunities.

The Board oversees the principal risks of our business and makes sure that the best practical procedures are in place to effectively monitor and manage those risks.

The Audit Committee oversees financial risks and monitors the management of the principal risks that could impact our financial reporting, including cybersecurity and privacy risks.

The Governance, Compensation and Sustainability Committee oversees the material ESG focus areas, as well as compensation and succession risk.

We continue to integrate the material ESG focus areas identified into our business strategy and enterprise risk management process by identifying the full spectrum of the Company's risks, aligning ESG risks to business risks, and evaluating the relevant risks for likelihood, vulnerability and impact.



# ETHICS

Adherence to the highest legal and ethical standards and our reputation for acting responsibly play a critical role in our success as a business. With the guidance and approval of the Board, we have established corporate policies that institutionalize our core values and form the basis of conduct at Blackline Safety.



## CODE OF BUSINESS CONDUCT AND ETHICS

Blackline Safety's [Code of Business Conduct and Ethics](#) 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. Annually, we require reaffirmation from our employees that they have read and will comply with the Code, which helps us meet our business practice standards and comply with applicable laws and regulations.



## WHISTLEBLOWER POLICY

Our independent [Whistleblower](#) reporting tool is available to report anonymous concerns regarding violations of Blackline'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 will investigate, address, and respond, where necessary. We do not take adverse actions on persons who report misconduct. We are committed to investigating and addressing all complaints reported.



## ANTI-CORRUPTION POLICY

Blackline Safety's [Anti-Corruption](#) policy provides guidelines to encourage ethical behavior in our business conduct and promote compliance with applicable anti-corruption legislation. It applies to employees, officers, and directors of the Company, and reflects the standards to which Blackline Safety expects its partners, agents, consultants, contractors, contractual counterparties and any other third party who can act on behalf of Blackline Safety to adhere when acting on Blackline Safety's behalf.

# GHG EMISSIONS & CLIMATE CHANGE

As part of our approach to managing emissions, we are focused on reducing our Scope 1, Scope 2 and Scope 3 greenhouse gas emissions intensity and have established a **corporate wide goal of achieving net-zero emissions for fiscal year 2023.**

As the world transitions to a lower carbon economy, climate-related policies and regulations around carbon emissions are evolving rapidly and are becoming increasingly stringent, requiring our business to adapt as we strive to be a leader in industrial safety as well as environmental stewardship. We are closely monitoring this evolving landscape to identify impacts to our business and potential opportunities resulting from policy change.

We are working to improve the accuracy of our emissions data as methodologies change and technology used to retrieve and analyze environmental data evolves. Improving our data collection processes allows us to improve our reporting, further understand our impacts and identify potential additional emission reduction opportunities. In fiscal 2022, we have engaged a consultant with expertise in the GHG monitoring field to assess our baseline GHG emissions, provide recommendations on ways to reduce our energy inputs and turn to renewable sources as much as possible.



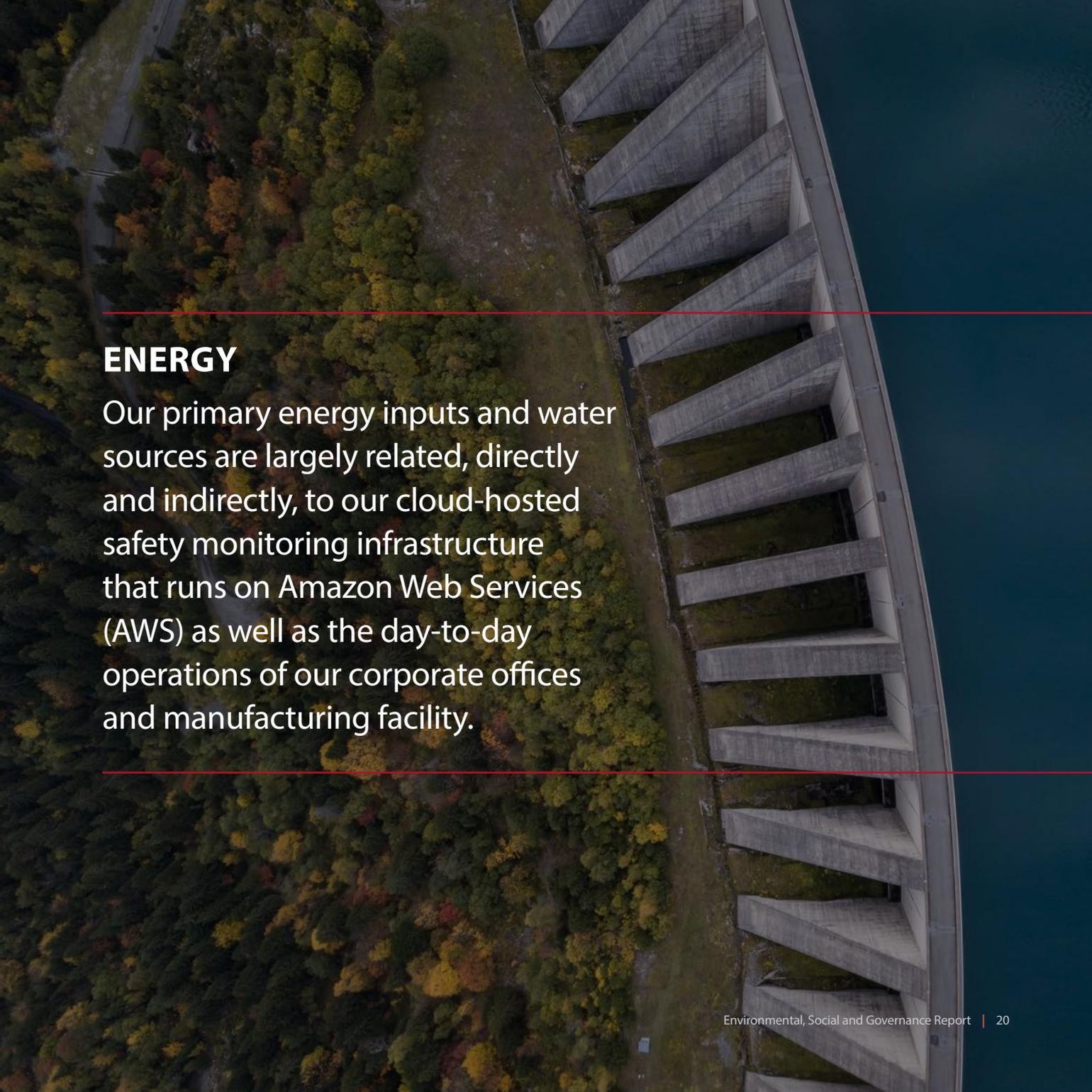
## DATA

	FY2021	FY2020
Scope 1 - MT CO <sub>2</sub> e	215.0	165.6
Scope 2 - MT CO <sub>2</sub> e*	576.0	227.4
Scope 3 - MT CO <sub>2</sub> e**	1,606.2	1,661.2
Total (MT CO <sub>2</sub> e)	2,397.2	2,054.2

\*Scope 2 emissions calculated using the location-based method. Use of the market-based method to reflect renewable energy purchases is a priority in future reports.

\*\*Includes categories 3 (Fuel- and Energy-Related Activities, not included in Scope 1 or Scope 2), 6 (Business travel), and 7 (Employee commuting) Scope 3 emissions only using the spend-based method using the Quantis GHG Protocol Scope 3 Evaluator. The identification of additional material upstream/downstream categories and calculation of full Scope 3 emissions data is a priority in future reports.

Our Scope 1 and 2 emissions have increased year-over-year as our workforce grew and returned to the Company's office locations in Canada and the United Kingdom throughout the year in accordance with our *Return to Office Work Plan*. Blackline Safety will continue to closely track emissions from these sources and look for ways to reduce its overall impact in order to achieve its net-zero emissions target by 2023.

An aerial photograph showing a large concrete dam with multiple spillways on the right side, bordering a body of water. To the left of the dam is a dense forest with trees in various shades of green and yellow, suggesting an autumn setting. A road or path is visible winding through the forest. The overall scene is a mix of natural and man-made infrastructure.

## ENERGY

Our primary energy inputs and water sources are largely related, directly and indirectly, to our cloud-hosted safety monitoring infrastructure that runs on Amazon Web Services (AWS) as well as the day-to-day operations of our corporate offices and manufacturing facility.

## THE CLOUD

Blackline Safety's proprietary cloud-hosted safety monitoring infrastructure is hosted by AWS, a globally recognized leader. We selected AWS as our hosting provider 10 years ago due to their suite of powerful tools that allow us to deliver widely available services. This capability streamlines our efforts and enables our software development teams to focus on building sophisticated user experiences that support every facet of world-class productivity, safety monitoring and gas detection programs.

Since migrating to AWS, we have revolutionized what cloud-hosted software can do. Our gas detection and lone worker solutions are constantly generating and streaming data, and that data is stored safely, securely and available whenever our customers need to access it. Coupled with our own secure development practices, AWS provides a range of services that, together, offer world-class data security.

All our products are designed in-house, from software development through to manufacturing. AWS helps our in-house software team focus solely on application development, data quality and scaling.

As our product line grows, AWS' global coverage sets us up to easily scale internationally, ensuring our product portfolio is completely turn-key and connected. We push every software update through the cloud, so customers never have to experience device downtime or manage updates and maintenance themselves. This feature also means customers require less physical monitoring and calibration, helping to reduce their own GHG emissions.

With AWS, our teams manage large volumes of data, allowing for sophisticated data analytics that we then deliver to our customers. Instead of having to focus on how to integrate cloud-hosted technology into our existing product line, our teams spend that time investing in technology research to create the innovative products that create a better future for our customers.

We continue to use AWS due to their exceptional service, cost benefit equation, and important environmental initiatives and commitments. For example, AWS is committed to net-zero carbon by 2040 and is on a path to 100% renewable power by 2025. Further, AWS has multiple initiatives underway to use water more efficiently and use less potable water to cool its data centers. Refer to AWS' [Sustainability Report](#) for more details.

## THE GROUND

Blackline Safety is committed to being more environmentally responsible by increasing its energy efficiency, minimizing waste and driving efficiency throughout our operations.

- In 2021, Blackline Safety's Calgary office contracted with Bullfrog Power, a renewable energy provider, to offset the majority of electricity used by putting a kWh from a pollution-free, renewable source back on the grid on Blackline's behalf. Some of the green electricity comes from the brand new [Yellow lake and Burdett solar projects](#) commissioned in July 2020 that started operating in 2021. Our French facility also has a green energy contract to offset 100% of electricity used. While the energy supply at Blackline Safety's Colchester, UK office is already 100% carbon neutral, the company now has a target of increasing the energy percentage from renewable sources, currently standing at 76% of the total usage. We have a company-wide target of achieving 100% energy consumption from renewable sources by the end of fiscal 2022.
- In 2021, our Blackline Safety Europe Ltd. subsidiary became ISO 14001 certified, demonstrating its ongoing commitment to maintaining and improving our approach to environmental concerns. We are in the process of expanding the scope of our ISO 14001 certification to include our newly formed French subsidiary in 2022.

## DATA

	FY2021	FY2020
Total energy consumption	6,713 GJ, of which 44% was supplied from grid electricity and 28% was from renewable sources	4,472 GJ, of which 27% was supplied from grid electricity and 17% was from renewable sources
Total water consumption	2,779 m3, 52% in regions with high or extreme high baseline water stress	1,288 m3, 81% in regions with high or extreme high baseline water stress.

## GOALS

FY2021 GOALS	PROGRESS	FY2022 AND BEYOND GOALS
<p>Achieve 100% energy consumption from renewable sources corporate wide by the end of fiscal 2022.</p>	<p><b>On-track</b></p> <p>Blackline Safety took the necessary steps to offset its electricity usage in its corporate office; however recognizes there is still work to be done to reduce its Scope 1 and 2 emissions, and energy sources at its international locations.</p>	<p>Action pathway to achieve net-zero by 2023, while working towards aligning with science-based targets beyond 2023.</p> <p>This will be achieved by establishing baseline GHG emissions, executing initiatives to reduce our energy inputs and turning to renewable sources as much as possible.</p>
<p>Achieve ISO 14001 certification corporate wide by the end of fiscal 2021.</p>	<p><b>Ongoing</b></p> <p>Blackline Safety achieved ISO 14001 for its Blackline Safety Europe Ltd. subsidiary in 2021 and began the process of ISO 14001 certification at its corporate office and French subsidiary during the year.</p> <p>Becoming ISO 14001 certified aligns with our goal of net-zero as our environmental management system will not only benefit the environment, but also reduce the costs and improve efficiency within the organization through data collection and ongoing review of the business' objectives.</p>	<p>Achieve ISO 14001 certification of our environmental management system corporate wide by end of fiscal 2023, in line with our net-zero goal.</p>



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## PRIVACY & DATA SECURITY

The Blackline Live Portal is a cloud-hosted live safety monitoring solution which handles alert management, compliance and 24/7 monitoring of fielded devices. With over **170 billion data points collected to date** through 2021, the Blackline Live Portal is at the core of all our safety solutions.

Blackline Safety is committed to ensuring this data, which is entrusted to us by our customers and employees, is stored and maintained with industry standard security and privacy measures while leveraging various industry control frameworks.



## CYBERSECURITY

To advance our commitment to cybersecurity, in 2021 our Enterprise IT team implemented various initiatives to provide secure, cost effective, reliable and integrated technology solutions to drive business value. Some practices performed to identify and address data security risks include:

- Implementing solutions such as email security, and policies around internal controls over financial reporting and information technology general controls to meet the governance requirements of graduating to the TSX.
- Making our infrastructure stronger, more secure and more reliable through the implementation of new firewalls, a more robust VPN, Multifactor Authentication, new Wi-Fi and stabilization of the network at our Calgary corporate headquarters.
- Engaging a third-party software to assist in tracking compliance with privacy and data security rules and regulations.
- Monitoring changes to the Blackline Live Portal for security implications through regular review by a data security architect.
- Conducting daily scans of the Blackline Live Portal.
- Performing semi-annual penetration testing through a third party.



## PRIVACY POLICY

Blackline Safety's [Data Security and Privacy Policy](#) is applicable to all employees. Staff undergo training on privacy and data security at onboarding and on an annual basis. All staff also formally acknowledge a Blackline Safety Confidentiality, Intellectual Property and Conflict of Interest Agreement which prohibit communication of privileged information other than for legitimate business interests.

Blackline Safety's [Privacy Policy](#) outlines the information we collect from our customers, how we process and share it, and customer options for controlling their personal information.

## REGULATORY AND LEGAL COMPLIANCE

Blackline Safety ensures compliance with all applicable data privacy laws, including the General Data Protection Regulation (GDPR) as enacted by the European Parliament. GDPR mandates that Blackline Safety put in place appropriate technical and organizational measures to implement the data protection principles defined in the Regulation.

In 2021, our software team took the next steps in ensuring ongoing GDPR compliance. Namely:

- Reviewed North American data storage locations to ensure customer data is appropriately stored.
- Implemented a data storage facility located inside the EU. This milestone allowed us to ensure ongoing compliance with GDPR and better serve our EU-based customers.
- Scheduled automatic removal of transactional data deemed personally identifiable information every seven days from the USA cloud.

Blackline Safety issued its second System and Organization Controls for Service Organizations 2 (SOC 2) Type 2 report over our Blackline Live Portal and in-house 24/7/365 live monitoring Safety Operations Center in 2021. The report identifies and documents the controls within our system which support the security and availability trust services categories and associated criteria.



## GOALS

FY2021 GOALS	PROGRESS	FY2022 AND BEYOND GOALS
Expanding cybersecurity training and awareness and implementing new policies and procedures.	<p><b>Achieved</b></p> <p>Blackline Safety continued cybersecurity awareness training for all new employees as well as annual refreshers.</p> <p>The Company also implemented various policies related to IT acceptable use, account management, change management, and password management.</p>	Continue to evolve our security program to mature governance and oversight by enhancing and advancing our technologies towards even more compliance measures. This will help achieve our commitment to provide our customers and their employees with world-leading safety monitoring technology.
Completing an internal review of privacy program maturity and GDPR compliance.	<p><b>Achieved</b></p> <p><a href="#">Regulatory and Legal Compliance</a></p>	





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## **OUR CULTURE AND TEAM**

Our corporate values help us define our culture and supplies a common internal vocabulary to our purpose and mission. By living our values, culture is felt as an inherent part of the company identity.

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# OUR VALUES

The growth we have experienced and our expansion as a Company has been guided by our commitment to our values.



## DRIVE INNOVATION

Tirelessly pursuing new and renewed products, processes and ideas, understanding that continuous improvement can be disruptive



## BE RESILIENT

Facing the challenges before us, being curious about our potential, and starting from scratch when necessary



## DEMONSTRATE LEADERSHIP

Knowing that leadership is a behavior and not a position, and actively participating in our success



## GO THE EXTRA MILE

Channeling an entrepreneurial spirit and rolling up our sleeves to do the work, whatever the work



## EMPOWER PEOPLE

Powering people and their potential is at the heart of our business – both in our mission to protect and save lives and in our day-to-day business operations

By living our values, we enhance the safety and success of our customers and their employees while driving our own organization's culture forward.



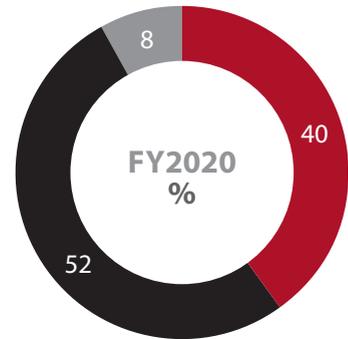
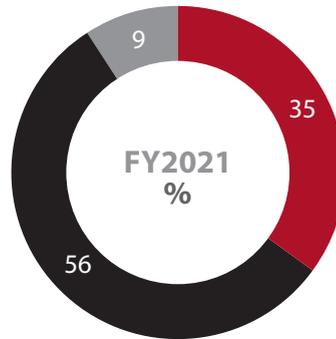
# DIVERSITY

We believe that a diverse workforce leads to high levels of engagement and effective decision-making. We aim to cultivate a thriving, diverse and inclusive culture where our employees feel belonged, making impact and have opportunities for development.



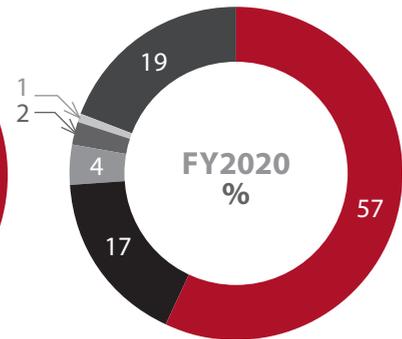
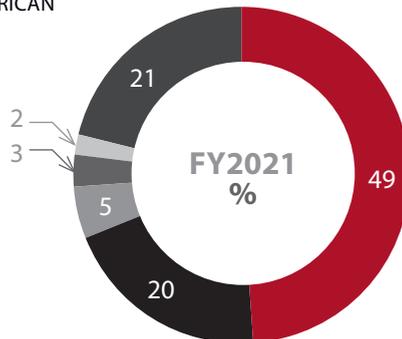
## WORKFORCE BY GENDER

● FEMALE ● MALE ● OTHER/UNDISCLOSED



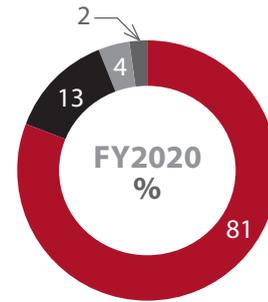
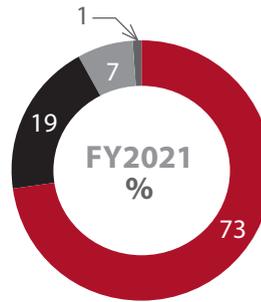
## WORKFORCE BY ETHNICITY

● CAUCASIAN/WHITE ● ASIAN ● LATIN AMERICAN  
 ● AFRICAN/BLACK ● ARAB  
 ● OTHER/UNDISCLOSED



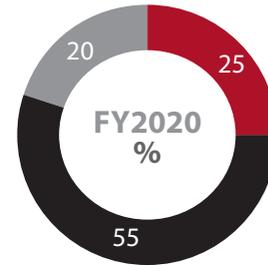
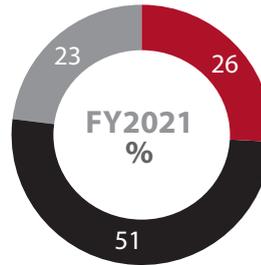
## GEOGRAPHIC BREAKDOWN

● CANADA ● EUROPE ● USA ● REST OF WORLD



## AGE

● <30 ● 31-49 ● 50



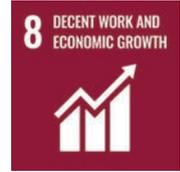
FY2021	FY2020
35% women in management	27% women in management
14% women in product development*	20% women in product development
By Employment Type: 94% Full Time, 3% Part Time, 2% Contractors, 2% Other	By Employment Type: 95% Full Time, 2% Part Time, 3% Contractors
19% ethnically diverse employees in management	15% ethnically diverse employees in management
34% ethnically diverse employees in product development	39% ethnically diverse employees in product development

\*Compared to 2020 industry average of 23.1% according to [Deloitte's Technology, Media and Telecommunications Predictions 2022 report](#).

We are building strategies to enhance our competitiveness to attract and retain females in product development as our recruitment drive in the past year did not result in the desired improvement in diversity amongst our product development team. These initiatives include mentorship support and leadership opportunities and building a women in technology network within the organization. Blackline Safety has a pay equity policy, and has committed to achieving pay equity certification by the end of 2022. We also continue to support local initiatives to create more opportunities for women, girls and non-binary individuals in technology and leadership.

# EMPLOYEE ENGAGEMENT

We have conducted an annual employee survey since 2018 to track engagement and to proactively encourage feedback from our employees. Our goal is to attract and retain world-class talent committed to the mission of our Company. Participation in the 2021 survey was 70% or 356 employees compared to 73% or 242 employees in the prior year.



Employee engagement (the aggregate overall score in the annual employee survey) in 2021 was 76%, an improvement from the previous year at 75%. The key engagement factors we track are: career development, work, communication & feedback, compensation & benefits, mission & purpose, and respect. Engagement in almost all areas was consistent or improved year-over-year.

Other initiatives in fiscal 2021 that helped drive employee engagement include:

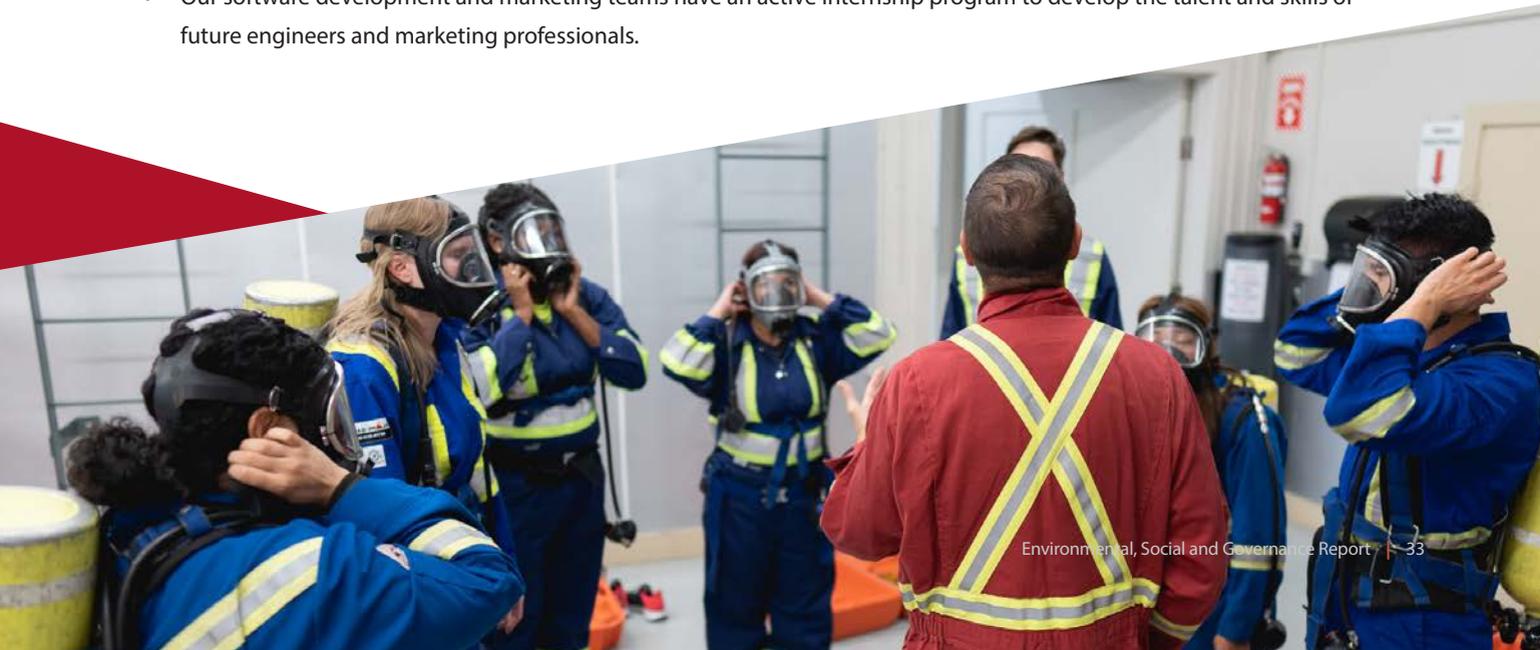
- **Employee Referral Program:** many of the best candidates for open positions come from our employees' professional networks. Employees who refer a new hire that successfully completed six months of employment are eligible to receive a one-time payment of \$1,000. Since the program's kick off, we have successfully onboarded more than 44 employees as a result of a referral.
- **Long Service Awards:** introduced to recognize employees that have provided extended years of dedicated service (five, 10 and 15 years of continuous service) to the Company.
- **Culture Ambassadors:** In fiscal 2021, the previous Culture Team evolved into Culture Ambassadors who are committed to creating opportunities to champion Blackline Safety values. By creating intentional activities and gathering grassroots insights, Culture Ambassadors help breathe life into these values across the organization. This group sends out a global internal newsletter to drive connectivity and communication, supports inclusivity by hosting events that allow employees to participate through virtual experiences, and builds the Blackline Library, a curated collection of literature, novels and resources designed to support personal and team development.
- **Kudos program:** allows employees to identify those who have excelled on a project, gone above and beyond to help out, or deserve some other form of recognition. The sharing of internal success stories propels our culture forward and creates unity and alignment across our teams.
- **Patent program:** designed to support our employees' passion for innovation and help push novel ideas forward. As a fast-paced, and growing technology company, we want to create opportunities to develop our top talent and gain a competitive advantage by expanding our commitment to research and development and building an impressive patent portfolio to contribute to our further success.

# TEAM DEVELOPMENT

In order to keep pace with Blackline Safety's growth, and foster a supportive, challenging and collaborative work environment, we focus on owning a Culture of Learning.



- Our Performance and Learning team focuses on Blackline Safety's external device and software end users and internal employees. The team continued to build on its content development, including eLearning modules for all things Blackline Safety through Blackline Learning, our Company's online platform for learning and development which logged over 2,500 hours in 2021.
- In fiscal 2021, our Performance and Learning team developed The Blackline Safety Summit Leadership Development Program, an internal leadership development training for front line managers and prospective managers which will be launching in 2022. This is an enhancement to the leadership development training program that commenced in 2020 and was provided through an internationally renowned leadership institution.
- We sponsor workshops, seminars and other activities designed to promote professional and management development. These programs are intended to help improve employee performance and knowledge of the Company.
- We offer an Education Assistance Program providing financial support (\$2,500 per year per employee) and time to employees for any course or training they may be interested in taking to increase their skill level and knowledge. The program supported 30 team members in fiscal 2021 in training related to project management, psychological safety, strategic management, accounting and finance, leadership skills, social media strategies, integrated business skills and instructional design, among others.
- We reimburse relevant professional membership affiliation fees that are in Blackline Safety's interest.
- Our software development and marketing teams have an active internship program to develop the talent and skills of future engineers and marketing professionals.



# COMPENSATION AND BENEFITS

We perform compensation benchmarking against market practices in the industry and cities/countries where we operate for specific roles.

We provide comprehensive benefits coverage for our employees such as:

Employee share ownership plan complimented by Company matching 50% of employee contributions – 64% participation in 2021	Employee and Family Assistance Program	Stock options
Benefits for all employees that cover health, disability, life and accident insurance, including enhanced coverage for mental health practitioners in 2022 for Canadian employees	Sponsored visas through Canada’s skilled work program	Paid maternity leave
	Competitive vacation program	

We align our benefits offerings to market standards in the countries in which we operate.

## GOALS

FY2021 GOALS	PROGRESS	FY2022 AND BEYOND GOALS
We aim to increase diversity education and awareness company-wide through lunch and learns and an internal intranet page with resource links.	<b>Ongoing</b> We have partnered with the Canadian Centre for Diversity & Inclusion and Diversity UK to provide new awareness and education opportunities to our employees, to be more formally rolled out in 2022.	We will maintain strong employee engagement by continuing to develop our human capital and recruit and retain a global, diverse workforce which extends beyond our physical office locations.  We will achieve pay equity certification in 2022.
We are committed to maintaining strong employee engagement and to start tracking average hours of training per year per employee by leveraging existing learning tools.	<b>Achieved</b> <a href="#">Employee Engagement</a> <a href="#">Team Development</a>	Recognizing that diversity extends beyond gender, we will increase the diversity in our workforce through diverse sourcing channels, implementing bias-free recruiting practices, providing a discrimination-free workplace, and monitoring, evaluating and optimizing efforts.  Grant employees two paid volunteer days to be used throughout each fiscal year.

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## COMMUNITY ENGAGEMENT

Blackline Safety's purpose has always been to ensure that every worker has the confidence to get the job done and return home safe. We know that as we do this, we have an opportunity to support, financially and through the time and talents of our people, causes which align with this purpose across the global community in which we operate.

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In 2020, we began shaping our community investment program to focus our support on themes where we can have the greatest impact, align with our values and material ESG issues identified. Our themes of focus are:

- Promotion of diversity in governance
- Access to information technology assets
- Environmental conservation
- Promotion of science, technology, engineering and math (STEM) initiatives with youths

The organizations we selected in 2021 to support around the themes of focus were:



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Our female Board members hosted interactive learning sessions to empower Canadian women with the tools and support necessary to serve on boards.



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Supported disaster relief efforts with provision of meals to La Palma residents and emergency crews in the aftermath of the volcano eruption and provided G7s to protect first responders from gases associated with volcanic ash.



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Provided lone worker monitors and four years comprehensive safety monitoring services, worth \$200,000, to the Calgary Zoo to protect animal caregivers.



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Supported the Youth Empowerment and Skills Centre in Calgary's program by donating computers to help provide underprivileged youth with access to online learning.

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### Joy to Job

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Sponsor monthly webinar series and offer up Blackline Safety employees as guest speakers. The webinars provide a forum for students to ask questions of working professionals, understand career pathways and gain confidence in what they want to pursue after graduation.



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Investment helps provide care and support to autistic children and adults and their families in the United Kingdom. Blackline Safety employees also provide talks about their experience in the workplace and mentor autistic students.



In 2022, we will continue to support the above organizations, in addition to new partnerships with:



Calgary Telus Spark Science Centre-\$10,000 sponsorship of the Operation Minerva program taking place in April 2022, which provides the opportunity for female mentors to share their experiences in STEM-related careers with grade 8 and 9 girls.



Calgary Women's Emergency Shelter (CWES)-\$20,000 sponsorship of their Adopt a Family program. The shelter gives people of all genders and ages a safe place to land when escaping family violence. Blackline has partnered with the CWES to help raise money for the essential services they provide in Alberta and beyond.



## GOALS

FY2021 GOALS	PROGRESS	FY2022 AND BEYOND GOALS
Increase support of programs that focus on chosen themes.	<p><b>Achieved</b></p> <p><a href="#">Community Engagement</a></p>	Add a Manager, Communications & Community to the organization to oversee community impact programming with non-profit partners.
Create global alignment of community investment program by increasing support in the local communities in which Blackline Safety operates.	<p><b>Ongoing</b></p> <p>As the Company expands and adds to its international presence, we actively look for ways to positively impact the communities in which we are a part of.</p>	Establish a Global Community Investment committee to evaluate opportunities, ensure alignment, and create impact across all of the communities in which we operate globally.

# HEALTH & SAFETY



Our safety goals extend to all our people at Blackline Safety. We aim to help everyone leave work in the same, or better condition, than when they arrived by ensuring every worker has the confidence, thorough education, equipment, and technology, to get the job done. We recognize that psychological safety is as important as physical safety and work to provide a healthy, injury-free workplace for all.

The Health & Safety Committee at Blackline Safety is an employee committee with a focus on local health, safety and environmental concerns (OHS Alberta, OSHA (USA), and HSG65 (UK)). The committee brings supervisors and workers together quarterly, to discuss and address health and safety concerns in the workplace. The committee's mandate is to promote and support the three basic rights of workers to know, to participate and to refuse dangerous work.

Our workplace safety statistics were as follows:

	FY2021	FY2020
<b>Work-related fatalities</b>	<b>0</b>	0
<b>Lost Time Incidence Frequency (LTIF)<sup>1</sup></b>	<b>0.2</b>	0
<b>Total Recordable Injuries Frequency (TRIF)<sup>2</sup></b>	<b>0.5</b>	1.0

<sup>1</sup> LTIF: An industry standard safety metric. The number of lost time injuries (fatalities + lost work day cases) x 200,000 hours divided by total person hours

<sup>2</sup> TRIF: An industry standard safety metric. The number of recordable injuries (medical treatment, restricted work, lost time incidents) x 200,000 hours divided by total person hours.



## THE HEALTH & SAFETY COMMITTEE'S ENVIRONMENTAL POLICY IS AS FOLLOWS:



### IMPACT ON THE ENVIRONMENT AND LOCAL HABITAT

Blackline Safety has minimal impact on the environment and local habitat as it operates in an office setting in an urban area. Any new processes required to meet customer and market requirements will be reviewed by the Chief Operating Officer to ensure potential environmental impact or impact on the local habitat is removed or minimized. All purchases made by Blackline Safety, where practical and feasible, consider their eco-friendliness as part of the decision-making process.



### GREENHOUSE GAS EMISSIONS

- There are minimal industrial emissions produced by Blackline Safety in operations processes. A small amount of greenhouse emissions are produced by the furnace and water heating systems. Maintenance of the systems is done periodically to ensure all local bylaws and requirements are complied with.



### WATER CONSERVATION

- No water is used in any manufacturing / industrial process, the only water used is for normal domestic / hygiene purposes. Should the requirement for the industrial usage of water arise, Blackline Safety's Operations Director will ensure the efficient use of water for process requirements is given a high priority.
- The only effluent produced by Blackline Safety is normal domestic foul water and this is discharged through the municipal sewer system.



### ENERGY CONSERVATION

- Where possible all electrical / electronic equipment is only powered up when being used. For equipment that needs to be left running, all peripherals are powered down when not in use. All furnaces and water heaters are serviced periodically to ensure they comply with all local laws and requirements and operate efficiently. Outside of normal operating hours all non-security lighting is switched off to minimize power consumption.



### WASTE MINIMIZATION

- All material used in our operations is to be used efficiently to minimize waste. Where possible all waste is recycled, and various waste containers are provided for use by all staff.

# ENABLING ESG INITIATIVES

Through Industrial Internet of Things devices and HeSaaS, Blackline Safety has become a strategic partner to our global clientele, supporting their digital transformation and ESG programs. Across many industries – from utilities and energy sectors to heavy industry, transportation and consumer packaged goods – workers face risks that come from gas exposure, working alone, slips, trips and falls, extreme weather and health events at the jobsite.

In 2021, Blackline Safety was named Company of the Year by TECTERRA Inc – a national organization in Canada supporting the development and commercialization of geomatics technologies for integrated resource management – and inducted into their Hall of Fame. These achievements acknowledge the effectiveness of Blackline’s connected safety solutions in saving lives, improving performance, and providing sustainable value to its customers.

In 2021, Blackline Safety secured several large contracts, including five of the 12 water and wastewater authorities in the UK, demonstrating our understanding of the unique challenges of this industry, including how our devices enable water sustainability. Workers in the water/wastewater industry are at risk of exposure to toxic and flammable gases. Having a reliable, easy-to-use device ensures user acceptability when working in hazardous environments, ensures that local communities can rely on our water authority customers to receive clean water and treat wastewater daily. The value of real-time cloud-connected data, paired with scalable technology that adapts to changing work environments means we continue to see strong adoption of our connected safety solutions in the industry.



# SAFETY OPERATIONS CENTER

Blackline Safety offers 24/7/365 dedicated safety monitoring to its customers through the Safety Operations Center (SOC). The SOC delivers an immediate response, managing all safety alerts from receipt through to resolution according to each customer's customized emergency response protocol.

The SOC has achieved Five Diamond designation from the Monitoring Association since 2018. The Five Diamond designation is granted annually to monitoring centers demonstrating superior service through time, investment and commitment to superior training standards. It emphasizes the importance of maximum productivity for customers and first responders through optimizing alert management.

Blackline Safety's SOC provides customers with the option of centralizing the responsibility of monitoring lone workers within a highly specialized and trained emergency response center. In regions not covered by Blackline Safety's in-house SOC, customers are able to provide monitoring of their employees via an approved Blackline Alarm Receiving Center partner. In 2021, Blackline's SOC, together with its Alarm Receiving Centers in Europe monitored over 40,000 employee wearables.

## A SUPERIOR TRACK RECORD



**99.1%**

average alerts acknowledged in fewer than 60 seconds



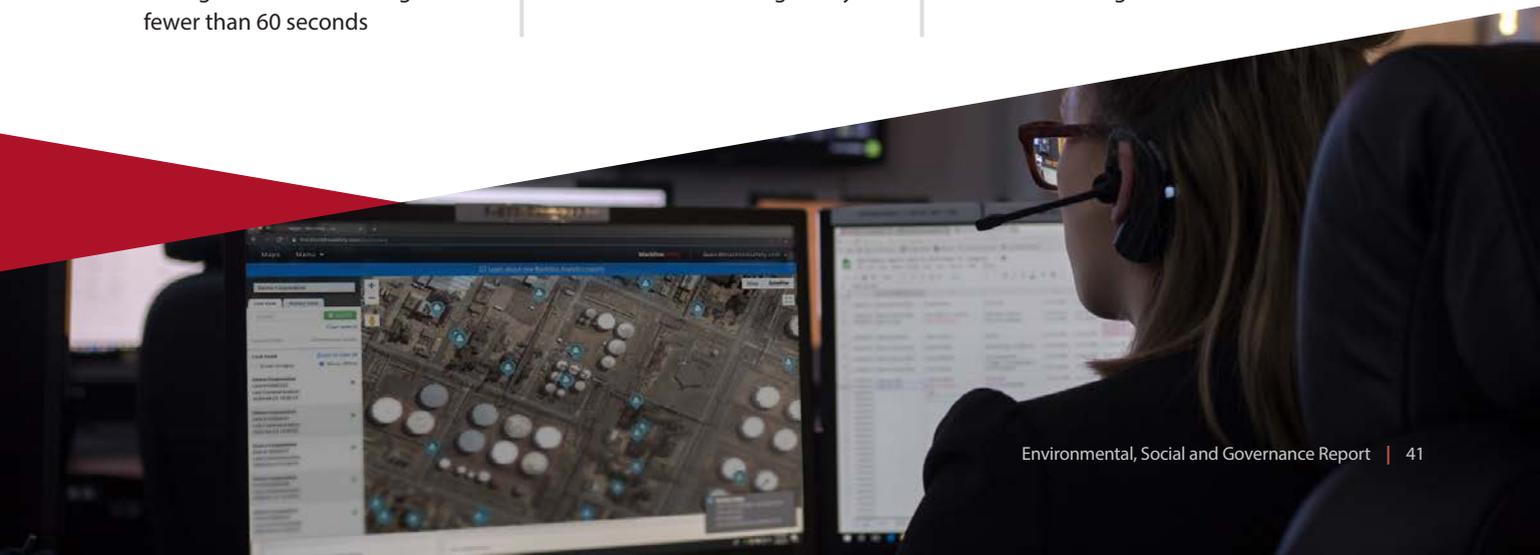
**40,000+**

devices monitored globally



**200,000+**

alerts managed in 2021



# BLACKLINE COLLECTIVE

In 2021, Blackline Safety launched [Blackline Collective](#), a program focused on building a network of safety-minded organizations, adding a new channel for us to enhance customer engagement and add value beyond our current product offerings. Blackline Collective bridges industrial borders, connecting peers committed to fostering a culture of workplace safety and operational excellence.

Blackline Collective establishes a community for leaders to share the experiences, best practices and strategies that have helped improve their organizations' safety and operations. Since its launch, we have added several key industry members:



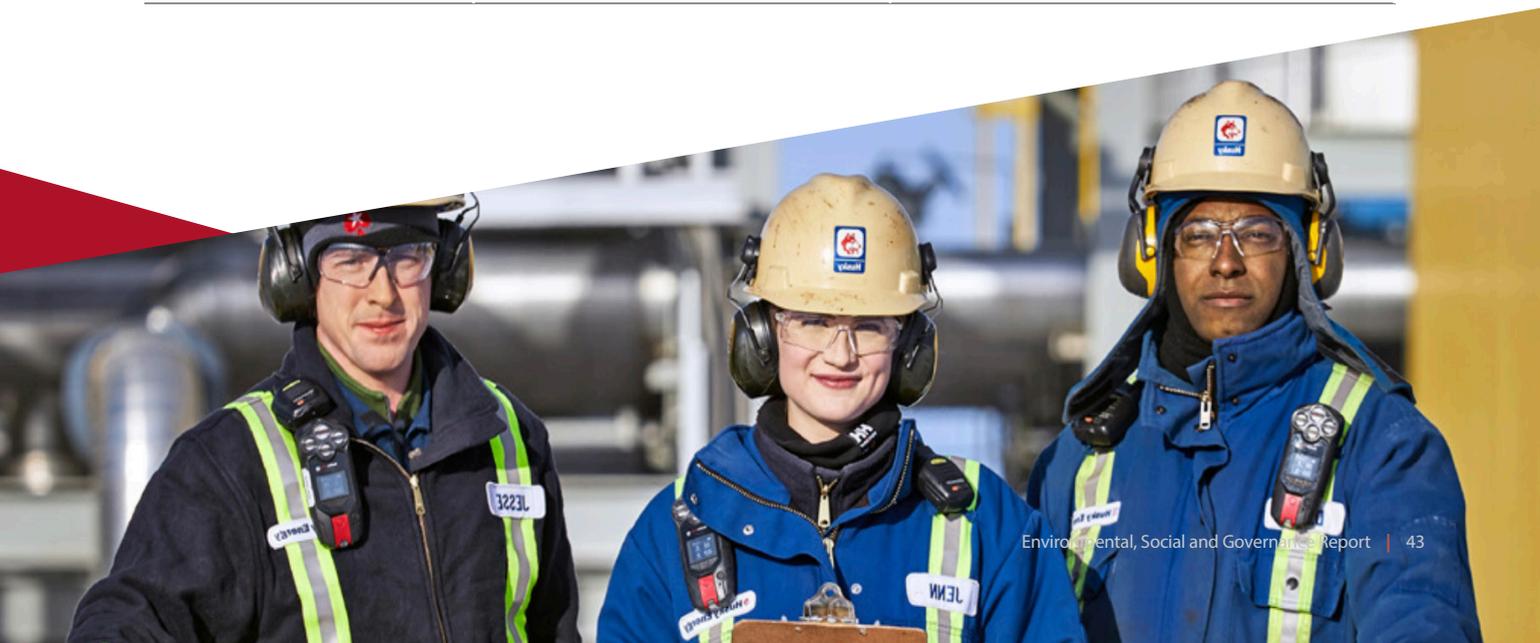
**KOKOSING MATERIALS, INC.**, one of Ohio's leading asphalt producers, incorporated Blackline Safety's connected safety technology which its team members wear voluntarily knowing it further improves the monitoring of their safety and the safety of their team members. "Achieving safety and operational excellence starts with treating your workforce as friends and family rather than a corporate resource," said Michael Farnsworth, Safety Manager at Kokosing Materials, Inc. "During my site visits, we talk with our team members about their work, but also their interests, opportunities and challenges, both professionally and outside of the workplace. This approach has led to a trusting environment where communication and self-accountability come naturally, leading to enhanced health, safety and wellbeing."

**ENOVERT**, one of the UK's foremost landfill site operators, incorporated Blackline Safety's G7c gas detection solutions into its operations to ensure a data-centric approach to gas detection. "We see data collection and analysis as the present and future of the industrial sector. If an organisation has the capability of tracking and using data to improve operations, enhance work practices and mitigate risks, employees are safer and our surrounding communities are more sustainable. Joining Blackline Collective enables us to share how we've implemented a data-centric approach to safety, which we hope will help others around the world operate even more safely and responsibly." – Mark Silvester, CEO of Enovert

**EMPIRE SOUTHWEST**, a Caterpillar dealership based in Mesa, Arizona, incorporated Blackline Safety's G7x safety wearables into its operations. "Any effective safety program starts at the top of an organization, or else it won't go anywhere. Safety is more important than productivity and profit. It is leadership's job to reinforce that message to their people every day and to continue to learn best practices to keep everybody safe. Blackline Collective allows us to learn from each other, which provides a great opportunity to learn from successes and mistakes and drive our safety protocols forward." – Jeff Whiteman, CEO, Empire Southwest

## GOALS

FY2021 GOALS	PROGRESS	FY2022 AND BEYOND GOALS
<p>Commit to adding a Resilience &amp; People Specialist to the organization with a distinct focus on health, wellness and safety for our employees.</p>	<p><b>Achieved</b></p> <p>Our Resilience &amp; People Specialist joined in July 2021 and has been instrumental in ensuring the resiliency of our employees through wave after wave of the pandemic.</p>	<p>Continue to put a focus on both the physical and psychological safety of our employees across the globe.</p>
<p>Support continuous improvement through the Health &amp; Safety Committee's mandate to conduct ongoing site inspections, update and communicate hazard assessments, conduct incident investigations, coordinate corrective actions, and drive required health and safety training for all staff.</p>	<p><b>Ongoing</b></p> <p><a href="#">Health &amp; Safety</a></p>	
<p>Increase participation in Blackline Collective to continue building a network of safety-minded organizations.</p>	<p><b>Ongoing</b></p> <p><a href="#">Blackline Collective</a></p>	<p>Continue to enable the ESG initiatives of our customers through our G7 suite of devices with focus on increasing our network of safety-minded organizations.</p>



# SUPPLY CHAIN MANAGEMENT

We hold ourselves and our suppliers to a high standard of behavior. Blackline Safety's [Code of Business Conduct and Ethics](#) includes guidelines of fair dealing with suppliers as well as conflict of interest requirements. We recognize there is an opportunity to strengthen the relationship with our suppliers by collaborating with them to build a stronger, more responsible supply chain that satisfies our customers' product quality expectations.



We ask our approved vendors (suppliers providing ATEX/IECEX certified product and/or suppliers of raw stock or electronic components) if they have a quality management system in accordance with ISO 9001, ATEX QAN, IECEx QAR, or an equivalent standard and expect our vendors to pass on this requirement through their supply chains. We monitor compliance with this requirement through our purchasing procedures.

We engage with our suppliers to assess their performance and encourage improvement and ownership of any issues identified. In 2021, we reviewed 43 vendors of our direct materials purchases for their product quality and service levels which raised four non-conformance ratings. We provide feedback to these vendors and work with them to correct the issues identified, or seek diversity to build a more resilient supply chain. We are currently revising our supplier review process to better define the metrics we assess against in order to objectively measure the sustainability of our supply chain.



# MATERIALS SOURCING

Manufacturing of all Blackline Safety products, including printed circuit boards, are done in our Calgary, Canada headquarters. Many of our products require the use of critical materials and conflict materials such as gold, semiconductors, precious metals and minor metals. We recognize there is inherent risk associated with such materials, including potential supply issues, lack of available substitutes, increased global demand driving increased competition, and impacts from geopolitical uncertainty. To manage these risks, we secure multiple sources for materials where possible and recycle critical minerals.

In 2021, global supply chain challenges resulted in shortages of certain components, requiring the Company to source materials from alternative suppliers and incur higher than normal freight charges. As a result, we focused on building resiliency within our supply chain without experiencing any significant interruptions.

2021's supply chain challenges helped us acknowledge the importance of supplier diversity in securing multiple sources for materials where possible. Further to diversity in vendor selection, we acknowledge that an inclusive supply chain introduces agility, creativity and innovation into the technology and solutions we deliver to our customers around the world. By using Blackline's buying power intentionally, we drive competitive advantage for our business, create economic impact in the communities we serve and support adherence to our responsibility as global citizens.

We support industry-wide efforts to validate the source of minerals used in our products, ensuring they come from socially responsible sources and do not contribute to human conflict. Our goal is to better understand where our materials are sourced, use only conflict-free materials in our products and select suppliers that include fair labor and human rights, including fair treatment of employees and no child or involuntary labor.

# PRODUCT QUALITY & SAFETY

Quality and safety are principles that permeate our company and incorporated into every step of our product development process, from design and production to the end-user experience. The safety of our customers through the use of high quality products is important to us. We must meet customer safety and compliance standards. Our ability to secure appropriate certifications and comply with industry quality and safety standards could affect the results of our business.



Because of the vital safety aspect of our products, they simply can't fail — exceptional manufacturing quality and in-field reliability are non-negotiable.

Kevin Meyers, COO

To ensure we meet or exceed our customers' quality expectations, our ISO 9001-certified sites undergo internal and external audits every year. Our G7 suite of devices are required to go through multiple rounds of product testing through their development phase and undergo numerous safety certifications for various countries to assess if the devices are intrinsically safe for use.

In 2021, we expanded our Quality Assurance department to better refine, educate, and implement ISO and other quality standards across the organization. The team is in the process of establishing a baseline for our quality metrics and dashboard. During the year, the team brought new equipment in-house to avoid costs and delays and reduce the environmental footprint of traveling to external labs.



## GOALS

FY2021 GOALS	PROGRESS	FY2022 AND BEYOND GOALS
Being proactive in understanding where goods are sourced, screening new suppliers and reviewing existing suppliers against environmental, social and governance criteria.	<b>Ongoing</b> In 2021, we began assessing our parts for RoHS/REACH compliance. The project is ongoing and we endeavor to make this a priority as we strengthen our supply chain.	We recognize that building a sustainable and resilient supply chain is critical to our long-term business interests. As a result, we will continue to strengthen our relationship with suppliers by continuing to understand where goods are sourced, while maintaining flexibility and resiliency within the supply chain.  We will establish a supplier scorecard with KPIs that are used to determine which companies to award business to.
Creating a Quality Assurance department to better refine, educate, and implement ISO and other quality standards across the organization.	<b>Achieved</b> <a href="#">Product Quality &amp; Safety</a>	Continue to measure and keep track of quality targets (e.g. defect rate, cost of quality, scrap, on-time delivery, supplier report cards) in order to identify opportunities for improving on our product quality.



# PRODUCT LIFECYCLE MANAGEMENT

Our primary waste includes device production, consumer products and packaging waste. We aim to make our product lifecycle process more responsible by reducing hazardous waste and diverting waste from landfills. The majority of our internally generated waste is recycled or e-cycled.



## IN FISCAL 2021

- Blackline Safety donated 12,593 lbs of equipment collected by a third-party organization, with the majority of production-related waste (e.g., plastics, lights, batteries, sensors, metals) recycled, e-cycled or repurposed for donation to community charities (fiscal 2020: 4,508 lbs).



- We have various recycling programs in place across the entire company, in accordance with local guidelines:
  - o Our solder paste recycling program, where one of our suppliers take back used solder paste and any waste material that is contaminated with chemicals, generated 98.5 lbs of solder paste (fiscal 2020: 216.5 lbs).
  - o Plastic recycling was implemented at our corporate office, which was driven by employee feedback through the Health & Safety Committee.
  - o Our facility in Colchester saved 10.174 trees through recycling shredded paper (fiscal 2020: 8.720 trees).
  - o Our facility in France recycles paper, cartridges, plastic bottles and aluminum cans
  - o Our Wearable Technologies facility in Leicester:
    - Upgraded their packaging and garment to be biodegradable
    - Used recyclable plastics for their demo kits
    - Uses local suppliers where available to reduce their environmental footprint

## GOALS

FY2021 GOALS	PROGRESS	FY2022 AND BEYOND GOALS
Start to track weight of all end of life products and e-waste recovered corporate wide in 2021.	<b>Achieved</b> 2021: 6.42 tons. 2020: 2.25 tons. The increase in weight of end of life products and e-waste reflects the higher production and sales of our products in fiscal 2021.	Conduct education programs for employees on various recycling initiatives to minimize amount of waste ending up in landfills. In balancing protecting the environment and ensuring that our customers receive their products in excellent condition, we will incorporate recyclable materials into packaging plans for future products such as the G5 and G6.



## REPORTING REFERENCES

Blackline Safety uses the SASB and Global Reporting Initiatives (GRI) disclosure frameworks and sector-specific guidelines to identify and prioritize ESG issues. We chose to use a combination of leading reporting standards to ensure the information provided is tailored to our own material issues and our stakeholders' areas of interest. This report has been prepared in reference to the SASB Software & IT Services and Hardware Standard materiality map and the GRI: Core option. We are working to further align with the recommendations of SASB and GRI and this will be a priority in future reports.



# GRI STANDARDS

GRI STANDARD	DISCLOSURES	COMMENTS/OMISSIONS	PAGES IN THIS REPORT	PAGES IN THE ANNUAL REPORT
<b>GRI 102 – GENERAL DISCLOSURES</b>				
<b>ORGANIZATIONAL PROFILE</b>				
102-1	Name of the organization	<a href="#">Blackline Safety Corp.</a>		
102-2	Activities, brands, products and services	<a href="#">Blackline Safety Products</a>	<a href="#">About Blackline Safety</a> , p. 6	<a href="#">Annual Information Form</a> , p. 5 - 12
102-3	Location of headquarters	Calgary, Alberta, Canada		
102-4	Location of operations	<p><a href="#">Contact Us</a></p> <p>During our reporting period, Blackline Safety operated in three countries: Canada, the United Kingdom (UK) and France.</p> <p>Blackline Safety had employees located in Canada, Europe, USA and Australia.</p>		
102-5	Ownership and legal form			<a href="#">Annual Information Form</a> , p. 4
102-6	Markets served	<p><a href="#">Industries</a></p> <p>Our devices are deployed in over 60 countries around the world.</p>	<a href="#">Trusted by those who share our commitment to safety</a> , p. 7	<a href="#">Annual Information Form</a> , p. 14
102-7	Scale of the organization		<a href="#">Year in Review</a> , p. 8 - 9	
102-8	Information on employees and other workers		<a href="#">Diversity</a> , p. 30	<a href="#">Annual Information Form</a> , p. 15
102-9	Supply chain		<a href="#">Supply Chain Management</a> , p. 44 - 45	

GRI STANDARD	DISCLOSURES	COMMENTS/OMISSIONS	PAGES IN THIS REPORT	PAGES IN THE ANNUAL REPORT
102-10	Significant changes to the organization and its supply chain	None.		
102-11	Precautionary Principle or approach	We do not specifically apply the precautionary principle. A description of the Board in overall risk oversight is located in our ESG report under <a href="#">Risk Management</a>	<a href="#">Risk Management</a> , p. 16	
102-12	External initiatives		<a href="#">Health &amp; Safety</a> , p. 38 - 43 <a href="#">Supply Chain Management</a> , p. 44 - 45 <a href="#">Community Engagement</a> , p. 35 - 37 <a href="#">Product lifecycle management</a> , p. 48 - 49	
102-13	Membership of associations		<a href="#">Supply Chain Management</a> , p. 44 - 45	
<b>Strategy</b>				
102-14	Statement from senior decision-maker		<a href="#">Message from our CEO and Board Chair</a> , p. 2 - 3	
<b>Ethics and integrity</b>				
102-16	Values, principles, standards and norms of behavior		<a href="#">Our Values</a> , p. 29	
<b>Governance</b>				
102-18	Governance structure		<a href="#">Board Composition and Committees</a> , p. 13	
<b>Stakeholder engagement</b>				
102-40	List of stakeholder groups		<a href="#">Our ESG approach</a> , p. 10 <a href="#">Stakeholder Framework</a> , p. 65	
102-41	Collective bargaining agreements	Our employees are not unionized.		

GRI STANDARD	DISCLOSURES	COMMENTS/OMISSIONS	PAGES IN THIS REPORT	PAGES IN THE ANNUAL REPORT
102-42	Identifying and selecting stakeholders		<a href="#">Our ESG approach</a> , p. 10 <a href="#">Stakeholder Framework</a> , p. 65	
102-43	Approach to stakeholder engagement		<a href="#">Our ESG approach</a> , p. 10 <a href="#">Stakeholder Framework</a> , p. 65	
102-44	Key topics and concerns raised	We have concentrated on eleven ESG focus areas which are addressed throughout the report.	<a href="#">Our ESG approach</a> , p. 10. <a href="#">ESG Materiality Matrix</a> , p. 11	
<b>Reporting practice</b>				
102-45	Entities included in the consolidated financial statements			<a href="#">Annual Information Form</a> , p. 4
102-46	Defining report content and topic Boundaries	The Boundary for each key topic is the Company's global operations.	<a href="#">Our ESG approach</a> , p. 10	
102-47	List of material topics		<a href="#">Our ESG approach</a> , p. 10 <a href="#">ESG Materiality Matrix</a> , p. 11	
102-48	Restatements of information	There were no restatements of information.		
102-49	Changes in reporting	There were no significant changes in reporting.		
102-50	Reporting period	November 1, 2020 – October 31, 2021		
102-51	Date of most recent report	July 29, 2021 (fiscal year ended October 31, 2020)		
102-52	Reporting cycle	Annual		
102-53	Contact point for questions regarding the report	<a href="mailto:esg@blacklinesafety.com">esg@blacklinesafety.com</a>		

GRI STANDARD	DISCLOSURES	COMMENTS/OMISSIONS	PAGES IN THIS REPORT	PAGES IN THE ANNUAL REPORT
102-54	Claims of reporting in accordance with the GRI Standards	This report has been informed by the GRI Standards: Core option.		
102-55	GRI content index		<a href="#">GRI Standards</a> , p. 51 - 57	
102-56	External assurance	This report did not undergo external assurance.		
<b>GRI 103 – Management Approach</b>				
103-1	Explanation of the material topic and its Boundary	Our Boundary is the Company's global operations.	<a href="#">Our ESG approach</a> , p. 10	
103-2	The management approach and its components		<a href="#">Corporate Governance</a> , p. 12 <a href="#">GHG emissions &amp; climate change</a> , p. 18 <a href="#">The Ground</a> , p. 22 <a href="#">Privacy &amp; Data Security</a> , p. 24 <a href="#">Diversity</a> , p. 30 <a href="#">Employee Engagement</a> , p. 32 <a href="#">Community Engagement</a> , p. 35 <a href="#">Health &amp; Safety</a> , p. 38 <a href="#">Supply Chain Management</a> , p. 44 <a href="#">Product Quality &amp; Safety</a> , p. 46 <a href="#">Product Lifecycle Management</a> , p. 48	

GRI STANDARD	DISCLOSURES	COMMENTS/OMISSIONS	PAGES IN THIS REPORT	PAGES IN THE ANNUAL REPORT
103-3	Evaluation of the management approach	We seek stakeholder feedback and our Board oversees and evaluates the effectiveness of the management approach of our ESG focus areas. Our ESG strategy will evolve as the results and any related adjustments to the management approach change.	<a href="#">Our ESG approach</a> , p. 10 <a href="#">Corporate Governance</a> , p. 12 <a href="#">GHG emissions &amp; climate change</a> , p. 18 <a href="#">The Ground</a> , p. 22 <a href="#">Privacy &amp; Data Security</a> , p. 24 <a href="#">Employee Engagement</a> , p. 32 <a href="#">Diversity</a> , p. 30 <a href="#">Community Engagement</a> , p. 35 <a href="#">Health &amp; Safety</a> , p. 38 <a href="#">Supply Chain Management</a> , p. 44 <a href="#">Product Quality &amp; Safety</a> , p. 46 <a href="#">Product Lifecycle Management</a> , p. 48	
<b>GRI 201: Economic Performance</b>				
201-1	Direct economic value generated and distributed		<a href="#">FY2021 Highlights</a> , p.9	<a href="#">2021 FS</a>

GRI STANDARD	DISCLOSURES	COMMENTS/OMISSIONS	PAGES IN THIS REPORT	PAGES IN THE ANNUAL REPORT
<b>GRI 205: Anti-corruption</b>				
205-1	Operations assessed for risks related to corruption	We operate in low risk corruption countries and our Anti-Corruption Policy mitigates any risk related to corruption.	<a href="#">Anti-Corruption Policy</a> , p. 17	
205-2	Communication and training about anti-corruption policies and procedures	100% of our employees and Board members have been communicated the Anti-Corruption Policy and we require ongoing reaffirmation from them that they have read and comply with the Policy.	<a href="#">Anti-Corruption Policy</a> , p. 17	
205-3	Confirmed incidents of corruption and actions taken	No incidents of corruption confirmed.		
<b>GRI 302: Energy</b>				
302-1	Energy consumption within the organization		<a href="#">The Ground</a> , p. 22	
<b>GRI 305: Emissions</b>				
305-1	Direct (Scope 1) GHG emissions		<a href="#">GHG emissions &amp; climate change</a> , p. 19	
305-2	Energy indirect (Scope 2) GHG emissions		<a href="#">GHG emissions &amp; climate change</a> , p. 19	
305-3	Other indirect (Scope 3) GHG emissions		<a href="#">GHG emissions &amp; climate change</a> , p. 19	
<b>GRI 401: Employment</b>				
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	Benefits are provided to all full-time and part-time employees in which they are located (Canada, Europe, USA and Australia), subject to local rules and regulations.	<a href="#">Compensation and Benefits</a> , p. 34	

GRI STANDARD	DISCLOSURES	COMMENTS/OMISSIONS	PAGES IN THIS REPORT	PAGES IN THE ANNUAL REPORT
<b>GRI 403: Occupational Health &amp; Safety</b>				
403-1	Occupational health and safety management system	The Blackline Safety Program is based on Occupation Health & Safety legislation, and other recognized international standards such as ISO 9001:2015. The Program applies to all employees, contractors and visitors of Blackline Safety.	<a href="#">Health &amp; Safety</a> , p. 38	
403-9	Work-related injuries	The rates disclosed in our report are based on 200,000 hours worked.  We are working towards monitoring additional work-related injury data in the future.	<a href="#">Health &amp; Safety</a> , p. 38	
<b>GRI 404: Training and Education</b>				
404-2	Programs for upgrading employee skills and transition assistance programs	In support of our people-centric values, we offer career transition services at employment end as well as conduct exit interviews for all employees.	<a href="#">Team Development</a> , p. 33	
<b>GRI 405: Diversity and Equal Opportunity</b>				
405-1	Diversity of governance bodies and employees	Age of board members: 0% - <30 29% - 31 – 50 71% - >50	<a href="#">Board Composition and Committees</a> , p. 15  <a href="#">Diversity</a> , p. 30 - 31	
<b>GRI 418: Customer Privacy</b>				
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	We have not identified any substantiated complaints concerning breaches of customer privacy.		

# SASB REFERENCE

TOPIC	ACCOUNTING METRIC	SASB CODE	FY 2021	FY 2020
<b>Product Security</b>	Description of approach to identifying and addressing data security risks in products	TC-HW-230a.1	<a href="#">Privacy &amp; Data Security</a> , p. 24	<a href="#">Privacy &amp; Data Security</a> , p. 24
<b>Data Security</b>	1) Number of data breaches 2) % involving personally identifiable information 3) number of users affected	TC-SI-230a.1	Blackline did not experience a security incident that had a material impact on the business, required regulatory reporting to authorities, or incurred financial penalties	Blackline did not experience a security incident that had a material impact on the business, required regulatory reporting to authorities, or incurred financial penalties
	Description of approach to identifying and addressing data security risks, including use of third party cybersecurity standards	TC-SI-230a.2	<a href="#">Cybersecurity</a> , p. 25	<a href="#">Cybersecurity</a> , p. 25
<b>Data Privacy &amp; Freedom of Expression</b>	Description of policies and practices relating to behavioral advertising and user privacy	TC-SI-220a.1	<a href="#">Privacy Policy</a> , p. 25 We do not engage in behavioral advertising.	<a href="#">Privacy Policy</a> , p. 25 We do not engage in behavioral advertising.
	Number of users whose information is used for secondary purposes	TC-SI-220a.2	Zero	Zero
	Total amount of monetary losses as a result of legal proceedings associated with user privacy	TC-SI-220a.3	Zero	Zero
	1) Number of law enforcement requests for user information 2) number of users whose information was requested 3) % resulting in disclosure	TC-SI-220a.4	Zero	Zero
	List of countries where core products or services are subject to government-required monitoring, blocking, content filtering or censoring	TC-SI-220a.5	None	None

TOPIC	ACCOUNTING METRIC	SASB CODE	FY 2021	FY 2020
<b>Intellectual Property Protection &amp; Competitive Behaviour</b>	Total amt of monetary losses as a result of legal proceedings associated with anti-competitive behavior regulations	TC-SI-520a.1	Zero	Zero
<b>Managing Systemic Risks from Technology Disruptions</b>	Number of 1) performance issues 2) service disruptions and 3) total customer downtime	TC-SI-550a.1	15 notices sent to customers of Blackline Live Portal outages due to performance issues and service disruptions. We are working towards additional monitoring in the future, including reporting performance issues and service disruptions separately.	14 notices sent to customers of Blackline Live Portal outages due to performance issues and service disruptions. We are working towards additional monitoring in the future, including reporting performance issues and service disruptions separately.
	Description of business continuity risks related to disruptions of operations	TC-SI-550a.2	We have a business continuity plan and hold annual management reviews as part of our quality management system to mitigate the risks identified in our <a href="#">Annual Information Form</a> , p. 27 - 37	We have a business continuity plan and hold annual management reviews as part of our quality management system to mitigate the risks identified in our <a href="#">Annual Information Form</a> , p. 27 - 37
<b>Employee Diversity &amp; Inclusion</b>	% of gender and racial/ethnic group representation for 1) mgmt. 2) technical staff and 3) all other employees	TC-HW-330a.1 TC-SI-330a.3	<a href="#">Diversity</a> , p. 30 - 31	<a href="#">Diversity</a> , p. 30 - 31
	% of employees that are 1) foreign nationals and 2) located offshore	TC-SI-330a.1	<a href="#">Diversity</a> , p. 30 - 31	<a href="#">Diversity</a> , p. 30 - 31
	Employee engagement as a %	TC-SI-330a.2	<a href="#">Employee Engagement</a> , p. 32	<a href="#">Employee Engagement</a> , p. 32

TOPIC	ACCOUNTING METRIC	SASB CODE	FY 2021	FY 2020
<b>Product Lifecycle Management</b>	% of products by revenue that contain IEC 62474 declarable substances	TC-HW-410a.1	We are working towards becoming RoHS and REACH compliant.	We are working towards becoming RoHS and REACH compliant.
	% of eligible products, by revenue, meeting the requirements for EPEAT registration or equivalent	TC-HW-410a.2	Zero	Zero
	% of eligible products, by revenue, meeting ENERGY STAR criteria	TC-HW-410a.3	Zero	Zero
	Weight of end-of-life products and e-waste recovered, percentage recycled	TC-HW-410a.4	6.42 tons, 100% recycled  The increase in weight of end-of-life products and e-waste reflects the higher production and sales of our products in fiscal 2021.	2.25 tons, 100% recycled
<b>Supply Chain Management</b>	% of Tier 1 supplier facilities audited in the RBA validated audit process or equivalent, by a) all facilities and b) high risk facilities	TC-HW-430a.1	We currently do not audit suppliers using the RBA validated audit process. We are working towards strengthening our relationship with suppliers in the future.  <a href="#">Supply Chain Management</a> , p. 44	We currently do not audit suppliers using the RBA validated audit process. We are working towards strengthening our relationship with suppliers in the future.  <a href="#">Supply Chain Management</a> , p. 44
	Tier 1 suppliers' 1) non-conformance rate with the RBA validated audit process or equivalent and 2) associated corrective action rate for a) priority non-conformances and b) other non-conformances	TC-HW-430a.2	We currently do not audit suppliers using the RBA validated audit process. We are working towards strengthening our relationship with suppliers in the future.  <a href="#">Supply Chain Management</a> , p. 44	We currently do not audit suppliers using the RBA validated audit process. We are working towards strengthening our relationship with suppliers in the future.  <a href="#">Supply Chain Management</a> , p. 44

TOPIC	ACCOUNTING METRIC	SASB CODE	FY 2021	FY 2020
<b>Materials Sourcing</b>	Description of the mgmt. of risks associated with the use of critical materials	TC-HW-440a.1	<a href="#">Materials Sourcing</a> , p. 45	<a href="#">Materials Sourcing</a> , p. 45
<b>Environmental Footprint of Hardware Infrastructure</b>	1) Total energy consumed 2) percentage grid electricity 3) percentage renewable	TC-SI-130a.1	<p>1) 6,713 GJ total energy consumed  2) 44% of total energy consumed supplied from grid electricity  3) 28% of total energy consumed was renewable energy</p> <p>Increase in energy consumption reflects increasing workforce size and returning to the Company's office locations in Canada and the United Kingdom and the additions of new subsidiaries during the year.</p>	<p>1) 4,472 GJ total energy consumed  2) 27% of total energy consumed supplied from grid electricity  3) 17% of total energy consumed was renewable energy</p>
	1) Total water withdrawn, 2) total water consumed, percentage of each in regions with high or extreme high baseline water stress	TC-SI-130a.2	<p>1) Data not available  2) 2,779m3, 52% in regions with high or extreme high baseline water stress</p> <p>Increase in water consumption reflects increasing workforce size and returning to the Company's office locations in Canada and the United Kingdom and the additions of new subsidiaries during the year.</p>	<p>1) Data not available  2) 1,288 m3, 81% in regions with high or extreme high baseline water stress.</p>

TOPIC	ACCOUNTING METRIC	SASB CODE	FY 2021	FY 2020
	Discussion of the integration of environmental considerations into strategic planning for data center needs	TC-SI-130a.3	We do not own or develop data centers.  <a href="#">The Cloud</a> , p. 21	We do not own or develop data centers.  <a href="#">The Cloud</a> , p. 21
<b>Activity Metrics</b>	Number of units produced by product category	TC-HW-000.A	Blackline GPS products: 151 G7 suite of devices: 69,322	Blackline GPS products: 917 G7 suite of devices: 40,410
	Area of manufacturing facilities	TC-HW-000.B	6,600 square feet  Blackline increased its manufacturing space and capacity to meet anticipated demand in 2022	4,500 square feet
	Percentage of production from owned facilities	TC-HW-000.C	100%	100%
	1) Number of licenses or subscriptions 2) % cloud-based	TC-SI-000.A	1) Approximately 165,000 2) 100%	1) Approximately 140,000 2) 100%
	1) Data processing capacity 2) % outsourced	TC-SI-000.B	There is no upper limit to the processing capacity as we outsource to AWS and are billed for what is used.	There is no upper limit to the processing capacity as we outsource to AWS and are billed for what is used.
	1) Amount of data storage 2) % outsourced	TC-SI-000.C	1) Approximately 0.127 Petabytes 2) 100%	1) Approximately 0.169 Petabytes 2) 98%

# UNITED NATIONS SUSTAINABLE DEVELOPMENT GOALS

We support the 17 United Nations’ Sustainable Development Goals (UN SDGs) and aim to align our business activities and charitable contributions to them. We are best positioned to contribute to the following SDGs:

SDG	BLACKLINE ACTION/INITIATIVE
<p><b>3</b> GOOD HEALTH AND WELL-BEING</p> 	<p><a href="https://www.blacklinesafety.com/covid-19-contact-tracing">https://www.blacklinesafety.com/covid-19-contact-tracing</a></p> <p>Blackline delivered the world’s only industrial contact tracing solution combined with gas detection, followed by Bluetooth-based close contact detection for proactive social distancing. The industrial contact tracing solution was available to our customers and our employees working in Blackline Safety facilities.</p>
<p><b>4</b> QUALITY EDUCATION</p> 	<p><a href="#">Community Engagement</a> <a href="#">Team Development</a></p> <p>We promote continuous learning for all through our various team development initiatives. We also support inclusive and equitable quality education through our community initiatives with Joy to Job and Autism Anglia.</p>
<p><b>5</b> GENDER EQUALITY</p> 	<p><a href="#">Community Engagement</a> <a href="#">Diversity</a></p> <p>Two of Blackline’s themes of giving involve promotion of diversity in governance, and promotion of STEM initiatives with youths. We believe that diversity, in not only gender, leads to diversity of thought, engagement and effective decision-making.</p>
<p><b>8</b> DECENT WORK AND ECONOMIC GROWTH</p> 	<p><a href="#">Employee Engagement</a> <a href="https://careers.blacklinesafety.com/home">https://careers.blacklinesafety.com/home</a></p> <p>Our team has grown remarkably in the last three years, and we are proud of the passion our people bring to saving lives and partnering with our customers to enable excellence. With our meaningful work, diverse and inclusive culture and results-driven work environment, we are an employer of choice for all kinds of engaged and highly talented people.</p>

SDG	BLACKLINE ACTION/INITIATIVE
<p data-bbox="155 271 301 309">9 INDUSTRY, INNOVATION AND INFRASTRUCTURE</p> 	<p data-bbox="320 194 597 217"><a href="#">Supply Chain Management</a></p> <p data-bbox="320 232 1361 317">Blackline manufactures its products in-house at its headquarters in Calgary, Canada, applying its highly skilled labour and leading manufacturing practices to manufacture, test and directly ship products to its customers.</p> <p data-bbox="320 332 1372 502">The focus of the Company's research and development team is the expansion of Blackline's worker safety and related solutions and on developing new products and applications, as well as providing the related services for such products. The Company believes that its research and product development capabilities are critical factors contributing to its success and are primary barriers to potential competitors' entry into the safety, gas detection and related markets. Accordingly, Blackline intends to continue investing significant resources in research and product development.</p>
<p data-bbox="155 520 301 574">12 RESPONSIBLE CONSUMPTION AND PRODUCTION</p> 	<p data-bbox="320 517 636 540"><a href="#">Product Lifecycle Management</a></p> <p data-bbox="320 555 1302 609">Blackline has taken steps in 2021 to ensure sustainable consumption and production patterns and continues to work towards minimizing the amount of waste ending up in landfills.</p>
<p data-bbox="155 689 301 728">13 CLIMATE ACTION</p> 	<p data-bbox="320 686 651 709"><a href="#">GHG emissions &amp; climate change</a></p> <p data-bbox="320 725 1379 810">We recognize that collectively, we must reduce our environmental footprint to protect our planet. Climate change presents a significant financial risk to the global economy and we have set a net-zero target by 2023.</p>

# STAKEHOLDER FRAMEWORK

We regularly engage with stakeholders to better understand factors they believe are critical for Blackline Safety and the connected safety industry.

LIST OF KEY STAKEHOLDER GROUPS	RELEVANCE TO BLACKLINE SAFETY	ENGAGEMENT/FEEDBACK MECHANISM	ISSUES/PRIORITIES/ CONCERNS
<b>Customers</b>	<ul style="list-style-type: none"> <li>Develop innovative products and technology to support digital transformation and ESG programs</li> </ul>	<ul style="list-style-type: none"> <li>Performance feedback</li> <li>Blackline Collective</li> </ul>	<ul style="list-style-type: none"> <li>Healthy &amp; safety</li> <li>Privacy and data security</li> <li>ESG</li> </ul>
<b>Employees</b>	<ul style="list-style-type: none"> <li>Key achievers of business results and performance</li> <li>Blackline Safety ambassadors</li> <li>Talent availability is impacted by our reputation as an employer of choice</li> </ul>	<ul style="list-style-type: none"> <li>Employee Survey</li> <li>Culture Ambassadors Initiatives</li> <li>Code of Business Conduct and Ethics</li> <li>Blackline Learning</li> </ul>	<ul style="list-style-type: none"> <li>Training and development</li> <li>Compensation and benefits</li> <li>Corporate culture and leadership behaviours</li> <li>Health &amp; safety</li> <li>ESG</li> </ul>
<b>Suppliers &amp; Service Providers</b>	<ul style="list-style-type: none"> <li>Delivering safe and responsible parts and service</li> </ul>	<ul style="list-style-type: none"> <li>Performance feedback</li> <li><a href="#">Blackline Catalyst partner program</a></li> </ul>	<ul style="list-style-type: none"> <li>Operational, regulatory, environmental and health &amp; safety performance</li> <li>Medium- and long-term business strategy</li> <li>Consistent and fair practices</li> <li>ESG</li> </ul>
<b>Investors</b>	<ul style="list-style-type: none"> <li>Provide access to capital (equity and/or debt markets), as appropriate</li> <li>Market performance impacts our brand reputation as financially sound and responsible</li> <li>Support for business strategy allows flexibility in corporate spending, mergers and acquisitions</li> </ul>	<ul style="list-style-type: none"> <li>Investor presentations</li> <li>One-on-one meetings</li> <li>Third party media interviews</li> <li>Annual and quarterly financial reports</li> <li>Press releases</li> <li>Annual General Meeting</li> <li>Annual Information Form</li> <li>Information Circular</li> <li>ESG Report</li> </ul>	<ul style="list-style-type: none"> <li>Fiscal responsibility, returns and profitability</li> <li>Short- and long-term business strategy</li> <li>Risk management</li> <li>Economic performance</li> <li>ESG</li> </ul>

LIST OF KEY STAKEHOLDER GROUPS	RELEVANCE TO BLACKLINE SAFETY	ENGAGEMENT/FEEDBACK MECHANISM	ISSUES/PRIORITIES/ CONCERNS
<b>Government &amp; Regulators</b>	<ul style="list-style-type: none"> <li>Decision makers on applications, laws, policies and regulations</li> <li>Auditors and enforcers of policies and approvals</li> </ul>	<ul style="list-style-type: none"> <li>Applications</li> <li>Compliance audits/ inspections</li> <li>Performance reports</li> </ul>	<ul style="list-style-type: none"> <li>Legal and regulatory compliance</li> <li>ESG</li> </ul>
<b>Industry Peers, Partners &amp; Trade Associations</b>	<ul style="list-style-type: none"> <li>Potential for joint efforts, shared resources and synergies</li> <li>Drivers of industry innovation</li> </ul>	<ul style="list-style-type: none"> <li>Industry/Community Associations and discussion groups</li> <li><a href="#">Blackline Catalyst partner program</a></li> </ul>	<ul style="list-style-type: none"> <li>Sharing of best practices and innovation</li> <li>ESG</li> </ul>
<b>Local Communities</b>	<ul style="list-style-type: none"> <li>Potential to be directly affected by our operations</li> <li>Observers of our operations</li> </ul>	<ul style="list-style-type: none"> <li>Direct and ongoing communication through partnership efforts</li> <li>Community investment and events</li> </ul>	<ul style="list-style-type: none"> <li>Community engagement and investment</li> <li>Business and employment opportunities</li> <li>ESG</li> </ul>
<b>Non-Governmental Organizations</b>	<ul style="list-style-type: none"> <li>Support sustainable, responsible development</li> <li>Influencers of public opinion, policy and reporting mechanism</li> <li>Increased public awareness</li> </ul>	<ul style="list-style-type: none"> <li>Partnerships on education and other ESG initiatives</li> </ul>	<ul style="list-style-type: none"> <li>Mitigation and innovation</li> <li>Best practices</li> <li>ESG</li> </ul>

## FORWARD LOOKING INFORMATION AND STATEMENTS

Certain statements included in this report constitute forward-looking statements. These statements relate to future events or the Corporation's future performance, objectives or targets. All statements other than statements of historical fact may be forward-looking statements. Forward-looking statements are often, but not always, identified by the use of words such as "anticipate," "believe," "continue," "could," "estimate," "expect," "intend," "may," "might," "plan," "potential," "predict," "project," "seek," "should," "targeting," "will" and other similar expressions. All forward-looking statements are based on beliefs and assumptions based on information available at the time the assumption was made. These forward-looking statements are not based on historical facts but rather on expectations. Forward-looking statement included in this report relate to among other things, the Corporation's disclosure objectives with respect to ESG; the expected benefits associated with certain of the Corporation's initiatives; the Corporation's Board diversity, and other targets; the Corporation's data and privacy security programs, efforts of developing strong employee engagement; plans with respect to continued engagement within the community, continued commitment to health and safety initiatives, management of the Corporation's supply chain and further environmental initiatives, our commitment to taking the next step in our disclosure by aligning with the TCFD recommended guidelines in future reports; the expectation that our roadmap and sales and marketing initiatives will, respectively, accelerate our strategies in product commercialization, expand our sales network and equip our team with new digital lead generation capabilities; the expectation that we will work towards aligning our ESG disclosure with the recommended frameworks in future reports; our corporate wide goal of achieving net zero emissions for fiscal year 2023; the expectation that AWS' global coverage sets us up to easily scale internationally, ensuring our product portfolio is completely turn-key and connected; the company-wide target of achieving 100% energy consumption from renewable sources by the end of fiscal 2022; our action pathway to achieve net zero by 2023, while working towards aligning with science-based targets beyond 2023 and the expectation that this will be achieved by establishing baseline GHG emissions, executing initiatives to reduce our energy inputs and turning to renewable sources as much as possible; our goal to Achieve ISO 14001 certification corporate wide by end of fiscal 2023, in line with our net zero goal; our goal to continue to evolve our security program to mature governance and oversight by enhancing and advancing our technologies towards even more compliance measures and the expectation that this will help achieve our commitment to provide our customers and their employees with world-leading safety monitoring technology; our expectation that our Leadership Development Program will be launching in 2022; our goal to maintain strong employee engagement by continuing to develop our human capital and recruit and retain a global, diverse workforce which extends beyond our physical office locations; our expectation that we will achieve pay equity certification in 2022; our goal to will increase the diversity in our workforce through diverse sourcing channels, implementing bias-free recruiting practices, providing a discrimination-free workplace, and monitoring, evaluating and optimizing efforts; our goal to add a Manager, Communications & Community to the organization to oversee community impact programming with non-profit partners; our goal of establishing a Global Community Investment committee to evaluate opportunities, ensure alignment, and create impact across all of the communities in which we operate globally; Blackline's expectation that should the requirement for the industrial usage of water arise, Blackline Safety's Operations Director will ensure the efficient use of water for process requirements is given a high priority; the expectation that Blackline Collective will enhance customer engagement and add value beyond our current product offerings; Blackline's goal of continuing to put a focus on both the physical and psychological safety of our employees across the globe; Blackline's goal of continuing to enable the ESG initiatives of our customers through our G7 suite of devices with focus on increasing our network of safety-minded organizations; our goal of better understanding where our materials are sourced, using only conflict-free materials in our products and selecting suppliers that include fair labor and human rights, including fair treatment of employees and no child or involuntary labor; Blackline's expectation that it will continue to strengthen its relationship with suppliers by continuing to understand where goods are sourced, while maintaining flexibility and resiliency within the supply chain; Blackline's goal of establishing a supplier scorecard with KPIs that are used to determine which companies to award business to; Blackline's goal to start measuring and keeping track of quality targets (e.g. defect rate, cost of quality, scrap, on-time delivery, supplier report cards) in order to identify opportunities for improving on our product quality; our goal of conducting education programs for employees on various recycling initiatives to minimize amount of waste ending up in landfills; our goal of incorporating recyclable materials into packaging plans for future products such as the G5 and G6; Blackline's plan to continue working to further align with the recommendations of SASB and GRI and that this will be a priority in future reports; the focus

of the Company's research and development team; the Company's belief that its research and product development capabilities are critical factors contributing to its success and are primary barriers to potential competitors' entry into the safety, gas detection and related markets; Blackline's intention to continue investing significant resources in research and product development.

Forward-looking statements involve known and unknown risks, uncertainties, assumptions and other factors that may cause actual results, levels of activity, performance or achievements to differ materially from those anticipated in such forward-looking statements. Although the forward-looking statements contained in the report are based upon what the Corporation believes to be reasonable assumptions, no assurance can be given that these expectations will prove to be accurate and such forward-looking statements included in this report should not be unduly relied upon by investors. Factors which could cause future outcomes to differ materially from those set forth in the forward looking statements include, but are not limited to: (i) the ability to obtain sufficient and suitable financing to support operations, development and commercialization of products, (ii) the ability to execute partnerships and corporate alliances, (iii) uncertainties relating to the regulatory approval process, (iv) the ability to develop plant lines and manufacturing processes that result in competitive advantage and commercial viability, (v) the ability to develop enhanced products and software in a cost effective and timely manner, (vi) the impact of competitive products and pricing and the ability to successfully compete in the targeted markets, (vii) the ability to attract and retain key personnel and key collaborators, including in sufficient numbers to achieve the Corporation's stated objectives, (viii) the ability to adequately protect proprietary information and technology from competitors, (ix) market and general economic conditions (x) the ability to source materials and manufacture products in an effective manner consistent with the Corporation's stated objectives related to the same and (xi) the impact were a significant disruption to its information technology to occur.

These forward-looking statements are made as of the date of this report. The Corporation does not undertake any obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, unless required by law.

Readers are cautioned that the foregoing list of factors is not exhaustive. The forward-looking statements contained in this report are expressly qualified by this cautionary statement.

All amounts are stated in Canadian dollars unless otherwise specified.



**BLACKLINE SAFETY CORP.**

Unit 100, 803 24 Avenue SE  
Calgary, AB, Canada  
T2G 1P5  
1-877-869-7212

**BLACKLINE SAFETY EUROPE LTD.**

12 De Grey Square, De Grey Road  
Colchester, Essex  
CO4 5YQ UK  
+44 1787 222684

**BLACKLINE SAFETY USA CORP.**

17146 Feathercraft Lane  
Webster, TX, USA  
77598  
1-877-869-7212

**BLACKLINE SAFETY EUROPE SAS**

Voie 5 D  
Za Carrefour De L'artois  
62490 Fresnes-Les-Mon  
France  
+33 805 22 31 85

**WEARABLE TECHNOLOGIES LTD.**

Unit 12, Warrens Business Park  
Enderby, Leicester  
LE19 4SA UK  
+44 1455 563 000

**BLACKLINE SAFETY CORP.**

Room 1031 Occidental Hotel  
Building A, Production City  
Dubai, United Arab Emirates  
+1 403 451 0327



**blacklinesafety**

[blacklinesafety.com](http://blacklinesafety.com)