



avenge

AVENGE ENERGY SERVICES INC.
2023 Annual Modern Slavery Report
Fighting Against Forced Labour & Child Labour
in Supply Chains Act

INTRODUCTION:

Avenge is the largest private environmental solutions company in Western Canada, supplying sustainable liquid and solid waste solutions, fluid hauling, tank and industrial cleaning services to customers in the energy, industrial, commercial and municipal sectors.

With strategically located operations across Western Canada, Avenge is equipped to effectively manage environmental challenges in any location, with the utmost commitment to safety and customer satisfaction.

We believe that by providing the highest-quality and best-managed environmental solutions, we will encourage greater environmental responsibility by standardizing our unrivaled level of service.

Our experienced team prioritize the highest level of safety in all our operations, implementing rigorous safety protocols and maintaining a strong commitment to ensuring the well-being of our team members and customers.

Central to our approach is the recognition and respect for the unique cultures, traditions and perspectives of Indigenous communities. We are dedicated to building meaningful partnerships and conducting our work in a culturally sensitive and inclusive manner. By actively engaging and involving Indigenous stakeholders, we aim to create shared value and generate positive impacts that extend beyond the project's scope.

ABOUT THIS REPORT:

Avenge Energy Services Inc, (collectively "Avenge", "we", "our" or "us"), in accordance with Canada's Fighting Against Forced Labour and Child Labour Supply Chains Act (the "Act") for the year ended December 31, 2023 has prepared the report on behalf of Avenge Energy Services Inc. (BN816517940).

As required by the Act, this report summarizes the steps that we have taken during the year ending December 31, 2023, to prevent and reduce the risks of forced labour and/or child labour from being used during the production of goods in Canada or the importation of goods into Canada, by Avenge. This report has been endorsed by our board of directors and reflects our ongoing commitment to transparency and accountability. We invite all Avenge stakeholders to join us in our pursuit of a supply chain that exemplifies the highest standards of ethical conduct and social responsibility.

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Fort Saskatchewan Office

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2023 PROGRESS

We aim to have all aspects of our business and supply chain operate in a manner that demonstrates our respect of human rights. We are proud of the following steps we have taken to prevent and reduce the risk of forced or child labour in our business and supply chain.

Act Requirements	Activities Completed in 2023	Priorities for 2024
Policies and Due Diligence Processes	Reviewed organizational policies, standards and procedures to identify improvements that reduce the risk of modern slavery practices in our business and supply chain.	Complete updates to our key supply chain related documents to reflect duty to report and prevent human rights abuses like modern slavery. Enforce updated verbiage in core organizational documents.
Identifying Modern Slavery Risks	Performed a supplier assessment to identify higher risk materials used in our operations. Conducted a review of top-spend suppliers potentially providing out of country goods through procurement review.	Express and implement our commitments through updated sourcing standards and contractual terms and conditions. Establish a major supplier review cadence.
Managing Modern Slavery Risks	Modern slavery risks incorporated into overall risk management framework. External counsel sought to ensure effective application of legislative framework.	Enhance support and oversight from procurement in purchasing decisions. Continue reviewing potential risks and associated trends. Ongoing monitoring of grievance mechanisms.
Remediation Measures	Internal escalation process established to address claims of exploitive practices. External issue submission process aligned with Investigation of Complaints Policy.	Updates to procurement standards to formalize communication and escalation procedures. Training of procurement personnel on due diligence best practices.
Training and Awareness	Began the consideration of training needs.	Develop and implement mandatory in-house training for procurement and human resources team members. Roll out optional training for other supplier-facing personnel and leaders.
Assessing Effectiveness	Create a baseline for which progress can be measured against.	Monitor supplier compliance with Avenge-stated contract terms and conditions. Regularly review organizational policies and processes for improvement needs.

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ZERO TOLERANCE

Through our policies and our core values, Avenge sets a high standard for our employees, vendors, customers, contractors, and officers, firmly rejecting forced labour and child labour with zero tolerance. Through a variety of policies and measures, Avenge stakeholders collectively work to ensure these forms of labour exploitation are identified and thoroughly investigated within our supply chain. The following Avenge policies below (but not limited to) reinforce our zero-tolerance stance and adherence to the Act:

WHISTLEBLOWER POLICY SUMMARY

Avenge encourages staff to report any suspected violations of company policies or laws to Human Resources, or the Executive Group. An investigation will be conducted, and results will be shared with the complainant and the relevant Executive. Anonymity will be protected as much as possible, and individuals can report concerns without fear of reprisal. Any retaliation or harassment will be reported to Human Resources and addressed accordingly.

HUMAN RIGHTS POLICY SUMMARY

Human Rights legislation aims to protect individuals from discrimination and ensure equal treatment regardless of characteristics like race, color, religion, sex, sexual orientation, national origin, age, or disability. At Avenge, employment decisions are based on merit, qualifications, and abilities. The company does not discriminate in any aspect of employment and will make reasonable accommodations for qualified individuals with disabilities unless it causes undue hardship.

Employees with concerns about discrimination are encouraged to contact Human Resources and can do so without fear of reprisal. Anyone found guilty of unlawful discrimination will face disciplinary action, including possible termination.

CODE OF CONDUCT SUMMARY

Avenge aims for success through our decisions and actions that benefit the company without compromising our ethical standards. The Code of Conduct sets the groundwork for all activities at Avenge and includes policies on fair dealings and compliance with laws and regulations. The Code of Conduct applies to all directors, officers, employees, contractors, consultants and all other individuals conducting business on behalf of Avenge. Avenge's Code of Conduct reinforces Avenge's commitment

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to conduct business in a lawful and ethical manner, and any violations of laws or regulations are encouraged to be reported to management.

INVESTIGATION OF COMPLAINTS POLICY SUMMARY

The Investigation of Complaints Policy was established to provide an avenue for individuals to anonymously report complaints, concerns or breaches of Avenge's policies, processes or values. Complaints or concerns can be submitted anonymously and confidentially to a corporate representative, which include members of our Board of Directors, or using Avenge's Integrity email. All complaints and concerns are thoroughly investigated, and status updates are provided to the Board at least quarterly. Due to the unique nature of individual reports, remediation measures may vary depending on the issue and investigation findings.

ADDRESSING VULNERABILITY

Avenge requires its directors, officers, employees, and contractors to conduct business ethically, while adhering to the company Code of Conduct. This also includes adhering to human rights laws and labour codes.

While Avenge Entities have not identified any instances of forced labour or child labour in our operations or supply chain, we are in the process of refining and improving procedures to identify these risks.

Avenge's commitment to addressing vulnerability within our supply chain:

- Assessing the parts of our business and supply chain that carry a risk of forced and child labour.
- Creating and updating policies to manage the risk of forced labour and child labour in our operations.
- Taking measures to remediate any forced or child labour discovered, which may include steps to rectify the loss of income to vulnerable families affected by these practices.

SUPPLY CHAIN STANDARDS

The Supply Chain Standard sets out criteria for the selection of suppliers and vendors used in Avenge's operations. The supplier selection process at Avenge is a collaborative effort with input from management, internal division, departments and teams, and Supply Chain based on a variety of considerations, including:

- Competitiveness

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- Technical capabilities
- Past performance
- Geographic locations
- Workload
- Safety record
- Financial stability
- Environmental record
- Human rights

The Supply Chain Standard applies to all employees and contractors who are engaged in sourcing or procuring materials and services on behalf of Avenge.

EDUCATION & AWARENESS

Avenge is committed to fostering a culture of awareness and responsibility regarding human rights principles, ethical business practices, and legal obligations among our employees, vendors, customers, contractors, and officers. This commitment is reflected through our corporate HR policies and guidelines, as outlined in our Zero Tolerance approach.

To further educate our employees on the risks of forced and child labour, and raise awareness of its effects, we are in the process of creating a policy and implementing mandatory training for employees. Training will be designed to ensure that personnel are aware of our obligations, as outlined by the Act. This will be implemented as needed.

CONTINUOUS IMPROVEMENT

Avenge is dedicated to operating in an ethical and socially responsible manner, while always respecting human rights. We are also committed to growing and improving upon our operations. With respect to assessing the effectiveness in ensuring forced labour and child labour are not being used in our activities, Avenge Entities are currently using the following methods:

- We encourage stakeholders to share concerns related to violations of the Act, company policies or applicable laws via a confidential whistleblower system.
- Management prepares an annual report to the board on the steps it has taken during the previous year to prevent and reduce the risk that forced labour or child labour is being used in its supply chain or operations.

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REPORT APPROVAL AND ATTESTATION

In accordance with the requirements of the Act, and in particular section 11 thereof, I attest that I have reviewed the information contained in the report for the entity or entities listed above. Based on my knowledge, and having exercised reasonable diligence, I attest that the information in the report is true, accurate and complete in all material respects for the purposes of the Act, for the reporting year listed above.

I have the authority to bind Avenge Energy Service Ltd. and the entities listed in this document.



Jeremy Hand

President and CEO

May 31, 2024.

CONTACT US

If you have any inquiries concerning the 2023 MODERN SLAVERY REPORT: Fighting Against Forced Labour and Child Labour in Supply Chains Act, please contact sheena.clark@avenge.ca.

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