

**energera<sup>®</sup>**

**Modern Slavery and Child Labour  
2023 Report**

May 28<sup>th</sup>, 2024

## Energera 2023 Modern Slavery and Child Labour Report

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## **Energera 2023 Modern Slavery and Child Labour Report**

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### **BACKGROUND**

Effective January 2024, the Canadian “Fighting Against Forced Labour and Child Labour in Supply Chains Act,” or the [S-211 bill](#) (the “**Modern Slavery Act**”), introduces reporting obligations on some entities, including Energera Inc. and its subsidiaries and affiliates (the “**Company**”), to describe the measures they have taken to prevent and reduce the risk that they or their suppliers are using forced labour or child labour. Modern slavery encompasses slavery, forced and compulsory labour, and situations whereby individuals are deprived of their freedom and are exploited for commercial or personal gain. Child labour, as defined in the Modern Slavery Act, means labour or services provided or offered to be provided by persons under the age of 18 years.

### **COMMITMENT**

The Company is committed to combatting modern slavery and to acting with integrity in all its dealings, relationships, and supply chains. It expects the same high standards from all its employees, suppliers, contractors, and those with whom it does business. The Modern Slavery Act is Canadian legislation, but the Company has mandated that this legislation apply to all subsidiaries and affiliates, all employees of such, workers, consultants, and other persons doing business with the Company including all its contractors and suppliers.

### **ACKNOWLEDGMENT**

The Company acknowledges the risk that a supply chain may involve the use of a hidden or unknown subcontractor reliant on forced labour. The Company takes its responsibilities to combat modern slavery seriously as demonstrated by its promotion and adoption of the following policy measures:

- The prevention, detection, and reporting of modern slavery in any part of its business or supply chains is the responsibility of all those working for the Company.
- Appropriate due diligence processes must be carried out in relation to modern slavery which may include considering human rights in a sector or country, the type of sector

in which a service provider operates, the countries from which services are provided, the nature of relationships with suppliers, and the complexity of supply chain(s).

- All supply chain lines need to be continually risk assessed and managed in relation to modern slavery and any high-risk suppliers audited. The [Procurement Supplier Questionnaire](#) asks questions of potential new suppliers on their compliance with the Modern Slavery Act as part of due diligence processes. Under the supplier approval process the Company's Procurement Department reviews all new suppliers, any changes to existing suppliers, and re-activation requests taking the questionnaire into account.
- The Company has developed [training on the Modern Slavery Act](#) and completion is required by all new and existing employees, including all Procurement Department employees, and those in other financial or purchasing roles across the Company.
- The Company highlights modern slavery issues within its ongoing communications programs with the Company's employees and with current trade suppliers to maintain and increase awareness of the issue.
- The Company will continue to develop its commitment to combat modern slavery and human trafficking and will outline such activities within its annual Modern Slavery Act Prevention statement.

Any breaches of this policy may result in the Company taking disciplinary action against individual(s) and/or terminating its relationship with any organization or supplier.

**COMPANY INFORMATION:**

- Reporting entity's legal name: \_\_\_\_\_ Energera Inc.
- Financial reporting year: \_\_\_\_\_ 2023
- Identification of a revised report: \_\_\_\_\_ N/A
- Business number(s), if applicable: \_\_\_\_\_ 777252-1
- Identification of a joint report, if applicable: \_\_\_\_\_ N/A
- Identification of reporting obligations in other jurisdictions: \_\_\_\_\_ No
- Entity categorization according to the Act: \_\_\_\_\_ Entity
- Sector/industry: \_\_\_\_\_ Mining, Quarrying, and Oil & Gas Extraction
- Location (Headquarters): \_\_\_\_\_ Canada

**STRUCTURE, ACTIVITIES AND SUPPLY CHAINS**

Energera's supply chain represents a complex network of entities, activities, information, and resources involved in procuring products and services. Central to an efficient and ethical supply chain is the verification of our suppliers, a process that ensures each link in the chain adheres to legal and ethical standards, including compliance with the Modern Slavery Act. Through rigorous supplier verification, we not only safeguard our operations against legal and reputational risks but also contribute to the broader fight against exploitation in global industries. This meticulous approach to supply chain management highlights the importance of ethical considerations in today's interconnected and highly scrutinized market environments, ensuring that operations are not only efficient but also morally responsible and compliant with international standards.

**POLICIES AND DUE DILIGENCE PROCESS**

Energera (with its subsidiaries the "Company") has implemented a policy to address forced labour and child labour. The policy sets out the commitment of the Company and its responsibilities, due diligence that is required to be done annually with all existing and new vendors/suppliers; and states that training is required by all employees. The policy provides links to the due diligence the Company's procurement supplier questionnaire and training among other things.

### **Modern Slavery Act Policy**

Energera believes in the fair and respectful treatment of all individuals across the varying layers of our business landscape and throughout our supply chain. With this in mind, we have implemented a Modern Slavery Act Policy which aligns with the Canadian Fighting Against Forced Labour and Child Labour in Supply Chains Act, Bill S-211, and require acknowledgment and adherence of this policy by all employees, contractors, and vendors across all business lines.

### **Code of Business Conduct**

The Board of Directors (the “Board”) of ENERGERA INC. (“Energera”) has adopted this Code of Business Conduct and Ethics (this “Code”), which is intended to document the principles of conduct and ethics to be followed by employees, officers, and directors of Energera and all of its subsidiaries and affiliates, (collectively, the “Company”), and complying with the legal and ethical requirements governing the Company’s business conduct. Integrity is the foundation of the Company’s value system, and we strive to build a culture where we work to excel, yet never compromise our basic values. Operating with integrity and legal compliance is the best way to succeed.

### **Core Values**

We are passionate change leaders setting a new standard based on the values of Professionalism, Integrity, Environment, Courage, and Humanity. If it weren’t for our people, we wouldn’t be where we are today. Boldness and out of the box thinking is what fuels our team’s groundbreaking ideas. We are all passionate about trying something new, optimizing, and hustling until we have a best-in-class output that we can all be proud of. Everyone is a key contributor, and it is through collaboration and the celebration of diversity and ideas that enables us to achieve such high-quality results.

## **FORCED LABOUR AND CHILD LABOUR RISKS**

Risks associated with forced and/or child labour within Energera's supply chain exist primarily through our vendor supply chains and the countries in which they source materials and/or supplies. The way in which we have approached this risk is to identify tier 1 & 2 vendors and conduct an initial fact gathering exercise with tier 1 vendors. The information received through this exercise was used to develop our vendor questionnaire which was distributed to all within our direct supply chain. Within this questionnaire, vendors were aware of Bill S-211 and the requirements of all entities under it as well as provided Energera's Modern Slavery and Child Labour policy for review. We also conducted research through a variety of online tools, regarding the top countries identified as undertaking practices of forced and child labour, and developed a joint list of the top 12 worst offenders. Next, we provided this list of countries and asked a series of questions relating to the supply chains of our vendors to determine their process in identifying potential risks and confirmed their acknowledgement of either having developed a program themselves or their commitment to following our in our mutual efforts to identify and manage any potential risks which may exist.

## **REMEDIATION MEASURES**

If Energera is made aware of any vendor in our supply chain that violated the Modern Slavery Act we will first determine the scale and scope of the issue, determine if a supplier improvement plan is appropriate, and ask that the third party identify and remedy the situation including the needs of the minor worker(s). It may be necessary to terminate the relationship with the vendor. At present, there are no outstanding situations known to Energera, which would require the implementation of remediation measures.

## **REMEDIATION OF LOSS OF INCOME**

Energera has conducted a due diligence exercise which consists of identifying all vendors in our supply chain and distributing questionnaires which address a variety of areas such as awareness of situations of child labour or modern slavery in their direct operations, the operations of their sub-contractors, the actions taken to manage risks relating to child

labour and modern slavery. This also includes vendor policies and guidance, and their engagement with sub-contractors as well as awareness relating to source countries for services and materials. Energera is satisfied that there are no outstanding issues with regard to lost income by vulnerable families or children, negating the need for remedial income loss measures.

### **TRAINING**

Energera has prepared a training describing what the “Fighting Against Forced Labour and Child Labour in Supply Chains Act,” or the S-211 bill (the “Modern Slavery Act”) is and why it was implemented; how forced labour and child labour are defined under the Modern Slavery Act; what the responsibilities of the Company are with regard to due diligence, completing the annual questionnaire, and posting to the Company’s website.

### **ASSESSING EFFECTIVENESS**

Energera has committed to conducting annual supplier engagement exercises whereby we communicate with our vendors to provide updated information on any changes which may take place with regard to Bill S-211 and all its components, to ensure our vendors possess the most update to date literature and information so they may continually revise their programs to align with federal standards. We have also committed to requiring the completion and submission of annual vendor questionnaires which will allow us to maintain situational awareness on the state of each vendors program so that we may assess our exposure to risks associated with forced and child labour, and adjust accordingly to ensure continued compliance with legislation.




**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 this report for the entity or entities listed above. Based on my knowledge, and Energera Inc. 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.

**Name:** Todd J Van Vliet

**Title:** Chief Executive Officer

**Date:**

**Signature:**   
[Todd Van Vliet \(May 29, 2024 10:19 MDT\)](#)

**I have the authority to bind Energera Inc. and all its subsidiaries.**