FORCED LABOUR AND CHILD LABOUR REPORT 2023

PACKERS PLUS ENERGY SERVICES, INC.

Packers Plus Energy Services, Inc. ("Packers Plus") is an Oil and Gas services company with operations in Canada as well as having subsidiaries that operate globally. We have a focus on promoting human rights and responsible business practices as we recognize that there are still risks of forced and child labour. It is a priority for Packers Plus to acknowledge and manage these risks through our personnel and our external suppliers and stakeholders.

REPORTING

Packers Plus is a federally incorporated entity that has become subject to the legal requirements in section 11 of the *Fighting Against Forced Labour and Child Labour in Supply Chains Act* (the Act). With the understanding that *the Act* was not in force until Jan 1, 2024, this 2023 report (the Report) is Packers Plus' summary of the processes utilized in the 2023 calendar year to prevent and mitigate risks of modern slavery across the Packers Plus supply chain.

CORPORATE STRUCTURE AND BUSINESS

Packers Plus is headquartered in Calgary, Alberta and has centralized corporate and administrative functions located in Alberta that provide governance, financing, procurement, and other support to all Packers Plus' core businesses, as well as to the affiliates and subsidiaries covered by this Report. The supply chain team at Packers Plus is a function that supports our operations across Canada as well as internationally in sourcing products.

BOARD AND EXECUTIVE TEAM

Packers Plus' Board is accountable for Packers Plus' strategic objectives and high-level business decisions as well as overseeing the effectiveness of Packers Plus' executive team who runs the day-to-day operations of the Company. The Company utilizes a risk management system and various internal controls and processes to monitor material risks and elevate the risks as appropriate.

CODE OF CONDUCT

Packers Plus' Code of Conduct (CODE) and mandatory annual online CODE training, which apply to all Packers Plus employees, reinforces the Company's requirements and expectations for conducting business, including Packers Plus' commitment to human rights. The CODE Policy applies to all employees, directors, officers, and contractors of Packers Plus and is reviewed annually. The CODE provides an avenue for asking questions and reporting concerns, as well as identifies resources that are available. We encourage the reporting of all non-compliances with any of our policies or our legal requirements, including those in relation to forced and child labour, so they can be addressed appropriately. Personnel are required to report any violation of the law or the CODE, including those in the context of forced and child labour. We take every report seriously and encourage any actions taken in good faith when reporting an incident and/or any potential issues.

RISKS AND PROCESS

Packers Plus' largest risk exposure to forced and child labour is through our suppliers, and the primary sources of these risks come from goods that are originally sourced from higher risk geographies. We acknowledge the potential risks of forced and child labour that could exist in our extended supply chain. While we have internal processes in place for project base requirements that have arisen, this is the first time the Company has had an obligation to comply with the new annual reporting requirements imposed by the Act.

As part of this analysis, an internal risk review of our supply chain activities is being conducted to identify the geographical regions, industries, and suppliers with high-risk exposures to forced and child labour and assess the effectiveness of any controls in place. We have a team that is linked to the supply chain process that will conduct a review of internal policies around preventing forced and child labour in the supply chain, procurement policies, supplier due diligence, onboarding, and compliance processes.

We are also in the process of reviewing our internal training, our processes for reporting suspicious or actual violations, and contracts to ensure we have ongoing improvements to internal supply chain processes, policies, and training. We acknowledge there will need to be more work going forward to monitor supplier activities effectively with respect to modern slavery, and high-risk categories and areas may change in the future as we learn more.

SUPPLIERS

Packers Plus leverage various processes to screen and monitor suppliers and our global supply chain for human rights risks, including forced and child labour. In accordance with our process, suppliers that are providing materials and services for our projects and operations must register and onboard through our supplier qualifications within the supply chain process, which conducts risk screening and monitoring in conjunction with the corporate compliance department. If issues are found, they are escalated for review and action by management, the legal department, or other appropriate department. If there are any high-risk suppliers, materials, and manufacturing sites flagged by Packers Plus, they may be subject to additional due diligence or discontinue their use. In 2023, no supplier screened by Packers Plus was found to have forced or child labour issues.

TRAINING

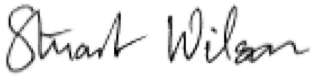
Every member of Packers Plus is expected to read, understand, and comply with the principles and requirements set out in the CODE. Additionally, periodically we conduct specialized, in-person training sessions strategically designed to address the unique challenges of high-risk areas. With the *Act* coming into force, we will review our training process and determine if there are additional actions and/or training that can be implemented in the future.

EFFECTIVENESS

While Packers Plus believes our measures to prevent and mitigate forced and child labour have been effective to date, we strive to maintain and continually improve a sustainable and transparent supply chain, and a better understanding of our global supply chain. These activities include assessing our due diligence process, contract terms, as well as working with our suppliers on prohibiting the use of forced and child labour within our supply chain. Packers Plus is committed to working with all our external partners to invest in protecting human rights for every single worker in the supply chain.

APPROVAL AND SIGNATORY

In accordance with the requirements of the *Act*, I attest that I have reviewed the information contained in the Report. Based on my knowledge, and having exercised reasonable diligence, I attest that the information in the Report is true, accurate and complete for the reporting year listed above and that I have the authority to bind the company.



Stuart Wilson
President and CEO

Packers Plus Energy Services, Inc.