

STEEL REEF Modern Slavery Report 2023

Introduction

This report (the “**Report**”) describes the actions taken by Steel Reef Infrastructure Corp. and our subsidiaries (hereafter collectively referred to as “**Steel Reef**” or “**Company**”)¹ pursuant to Canada’s *Fighting Against Forced Labour and Child Labour in Supply Chains Act* (the “**Act**”). We have prepared this Report in compliance with the Act for the year 2023.

Steel Reef is a widely held, private company incorporated pursuant to the laws of Alberta and is headquartered in Calgary, Alberta with an office in Denver, Colorado. We own and operate integrated gathering, processing, transportation and storage facilities within both the Province of Saskatchewan and the State of North Dakota. The focus of our operations is to capture, process and transport associated natural gas to prevent it from being flared or vented to the atmosphere. The resulting valuable products, which include natural gas, propane, butane, and condensate are then sold into both local and cross border markets.

Steel Reef employs approximately 200 full and part time employees to which our corporate culture is of the utmost importance. We value discipline, respect and excellence and we partner with stakeholders that share in these values.

Identifying Modern Slavery Risks in 2023

During the 2023 calendar year, Steel Reef did not provide training to employees on forced labour and child labour; however, Steel Reef has since sought external guidance to educate and train, those involved in our supply chain, on forced labour and child labour (also referred to herein as “**Modern Slavery**”). Our external counsel facilitated understanding of the legislative framework and advised us on Modern Slavery risks, how to assess the risks, preventative steps to be taken and a comparative analysis on the responses of our peer group.

Subsequent to our targeted education and training, Steel Reef established an internal working group consisting of management representatives from our supply chain, sustainability, risk, compliance as well as governance and legal. The internal working group conducted a thorough gap analysis on our policies and procedures and undertook a supply chain mapping exercise to further assist in identifying risks of Modern Slavery. Details on the results of our working group can be found throughout this Report.

Of further note, Steel Reef has a risk management program that identifies and manages new and emerging risks for the Company and formally reports, on a quarterly basis, to the Audit and Enterprise Risk Management Committee (“**AERM**”) comprised of three directors from the Board of Directors (“**Board**”). Each business unit within Steel Reef conducts, on an annual basis, a fulsome review of the risks specific to their unit, the controls in place to mitigate the risks and the effectiveness thereof. This annual risk report is also presented to the AERM Committee. In each instance of reporting, our risks are prioritized based on their likelihood, severity and level of impact to our business.

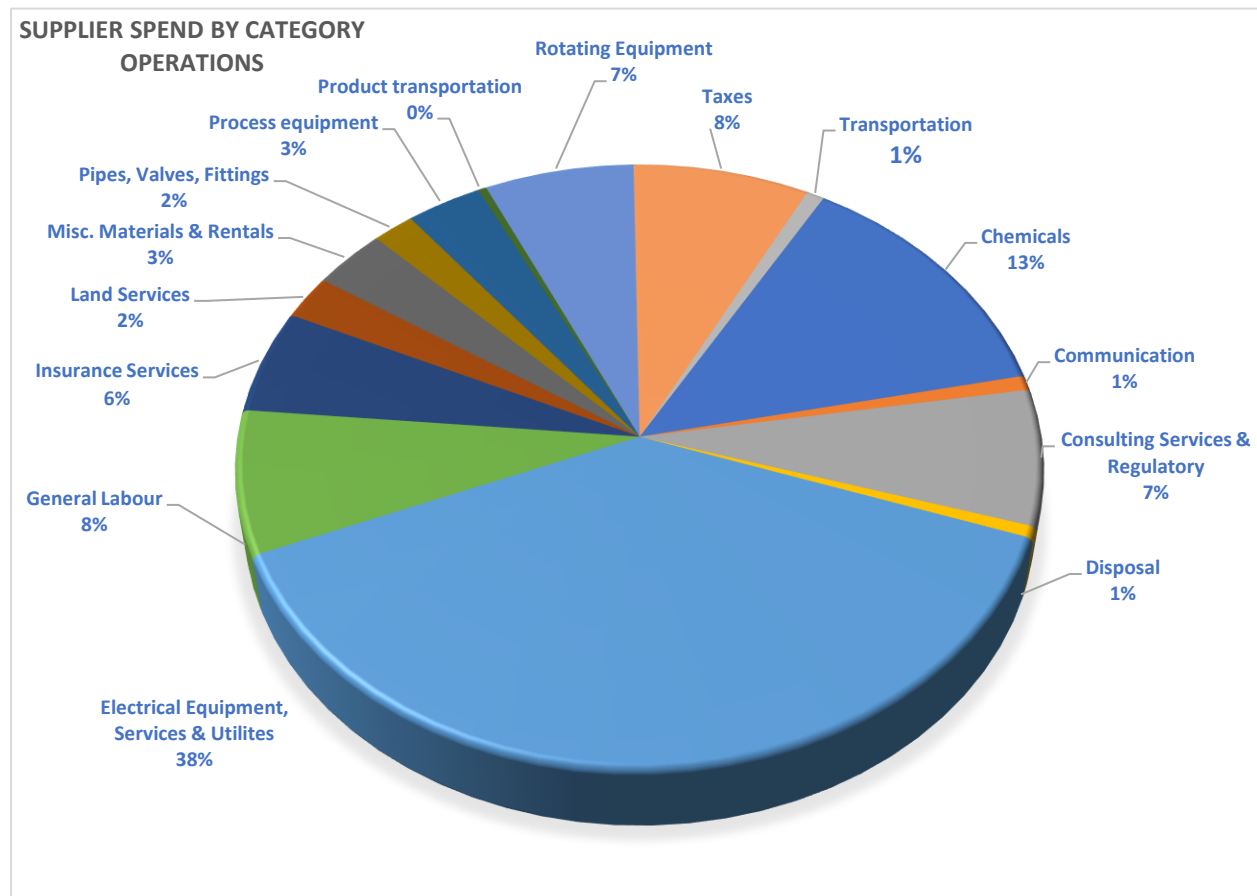
¹ Steel Reef Burke, LLC, a Delaware corporation; Steel Reef Pipelines US, LLC, a Delaware corporation; Steel Reef US Corp., a Delaware corporation; Steel Reef Pipelines Canada Corp., a Canadian corporation; Lignite Pipeline Canada Corp., a Canadian corporation; and Gateway Energy Terminal, a Saskatchewan corporation.

Our Supply Chain

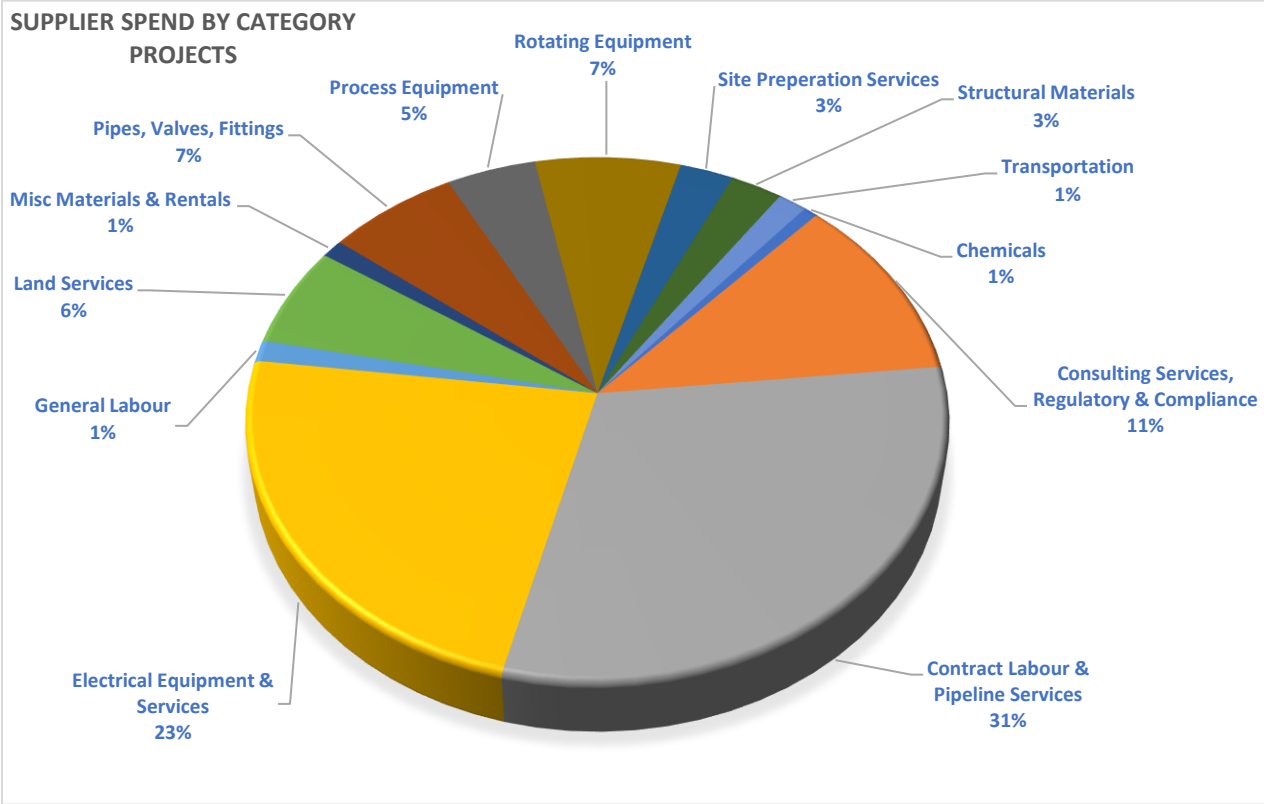
Steel Reef utilizes reputable suppliers, both local and global, who supply different categories of goods and services used in our infrastructure. Such goods and services include, but are not limited to, electrical, welding and mechanical services and the equipment related thereto. All of our material suppliers are screened through a Request For Proposal (“RFP”) process that is crafted to ensure quality and safety, compliance with Steel Reef’s operational integrity requirements and to reduce potential legal and reputational risks. Further, and because Steel Reef wants suppliers who align with our values, suppliers that are onboarded must commit to conduct themselves in accordance with Steel Reef’s Code of Business Conduct and Ethics Policy.

Our supply chain mapping helped us to identify the procured goods and services in 2023 such that we could delineate (i) the jurisdictions purchased from; and (ii) break down our spend by industry sector. The majority of our suppliers are domiciled in North America, but we appreciate that many of their products originate from other jurisdictions.

The chart below represents our approximate global supply chain spend by industry sector for our operating expenses as at December 31, 2023:



The chart below represents our approximate global supply chain spend by industry sector for our capital projects as at December 31, 2023:



Policies With Global Application

Steel Reef actively seeks to ensure both our staff and suppliers operate in an ethical, legal and responsible manner. As part of this commitment, our Board annually reviews and approves the policies and procedures put in place by management to make clear that they capture our values and expectations for all levels of employment and for all decisions made at Steel Reef. The policies are reviewed annually to identify ways for continuous improvement and ensure compliance with all applicable laws. Following the Board’s annual review and approval, all staff are required to also review and agree to remain compliant. For suppliers of Steel Reef, an external website is provided where they can their review applicable policies of Steel Reef and the expectation of compliance is built into our written commercial arrangements.

The following policies are notable in our commitment to upholding ethical, legal and responsible behaviours:

POLICY	APPLICATION
Anti-Corruption and Anti-Bribery Policy	Applies to the Board and staff in all jurisdictions and confirms our commitment to complying with laws around the world that prohibit illegal or unethical behaviours.

POLICY	APPLICATION
Code of Business Conduct and Ethics Policy	Applies to the Board and staff in all jurisdictions and all suppliers. It reflects our values and commitment to ethical practices and human rights.
Respectful Workplace Policy	Applies to the Board and staff in all jurisdictions. It reflects our commitment to treating all people with dignity and respect.
Whistleblower Policy	Applies to the Board and staff in all jurisdictions as well as all suppliers and stakeholders. It establishes reporting channels for the reporting of violations or concerns and encourages reporting of any suspected cases of Modern Slavery without fear of retaliation.

Steel Reef is committed to ongoing policy review and improvement and is continually seeking ways to advance our practices in conjunction with addressing unethical behaviours.

Assessment of Risks & Looking Forward

In assessing the risks of Modern Slavery at Steel Reef, we reviewed our policies and, subsequent to the 2023 year end, we have made specific revisions to our Code of Conduct and Ethics and our Respectful Workplace policies to ensure the clear articulation that Modern Slavery is prohibited. Further, we reviewed our commercial agreements and revised the same to ensure that each supplier is representing in writing to Steel Reef that they do not employ forced or child labour.

Upon assessing our workforce, we determined that, because the employees of Steel Reef are largely office staff and oil and gas field workers in Alberta, Saskatchewan, Colorado and North Dakota our staff is at low risk for Modern Slavery.

Steel Reef regularly assesses the risk of each of our material suppliers through a comprehensive risk assessment process performed by an internal team that looks at such things as credit worthiness, safety statistics and regulatory compliance. The information compiled from this process allows us to determine our supplier selection. To date, we have not identified any forced labour or child labour in our activities and supply chains and have not taken any measures to remediate or eliminate any forced labour or child labour in our activities and supply chains, including any measures that would involve the potential loss of income to vulnerable families.

As noted earlier, we do recognize a gap in not having full transparency into where our North American suppliers source their materials from. As a result, Steel Reef is considering ways in which it can collect further and better particulars from our material suppliers to better understand where they source their materials from and what human rights practices are in place in those jurisdictions. We do not currently have specific policies or procedures in place to assess our effectiveness in ensuring that forced labour and child labour are not being used in our activities and supply chains, although we are continuing to consider practical ways in which we can measure our effectiveness in the future.

Looking forward, Steel Reef will continue to educate our employees and consultants involved in our supply chain on the risks of Modern Slavery. Steel Reef will continue to take steps in furtherance of the protection of human rights with a view to reducing the risk that forced or child labour is used in our supply chains.

Approval and Attestation

This Report was approved pursuant to subparagraph 11(4)(b)(ii) of the Act by the Board of Directors of Steel Reef Infrastructure Corp.

In accordance with the requirements of the Act, I attest that I have reviewed the information contained in the Report and based on my knowledge, having exercised reasonable diligence, I attest that the information contained in the Report is true, accurate and complete in all material respects for the purposes of the Act, for the reporting year of 2023.

I am providing this attestation in my capacity as officer of Steel Reef Infrastructure Corp and not in my personal capacity. I have the authority to bind Steel Reef.

A handwritten signature in black ink, appearing to read 'Jonathan Stone', with a long, sweeping horizontal stroke extending to the right.

Jonathan Stone
Chair of the Board of Directors
Dated: May 16, 2024