

#2200, 605 – 5th Avenue SW Calgary, Alberta T2P 3H5

Tel: (403) 930.1358

SURERUS MURPHY JOINT VENTURE REPORT ON

FIGHTING AGAINST FORCED LABOUR AND CHILD LABOUR IN SUPPLY CHAINS ACT

Annual Report

This Statement ("Statement") is made jointly on behalf of Surerus Murphy Joint Venture, Surerus Pipeline Inc, Murphy Group Canada in response to Canada's Fighting Against Forced Labour and Child Labour in Supply Chains Act (the "Act") and provides our forced and child labour reporting statement for the financial year ended December 31, 2023 (the "Report"). The terms "Surerus Murphy Joint Venture", "SMJV", "we", "our", and "the Company" refer to Surerus Murphy Joint Venture, Surerus Pipeline Inc and Murphy Group Canada.

Structure, Activities and Supply Chain

Murphy Group Canada and Surerus Pipelines Inc, additionally operating under a joint venture agreement as Surerus Murphy Joint Venture, are incorporated under the *Canada Business Corporations Act*. Surerus Pipeline Inc. is headquartered in Fort St. John, British Columbia and Murphy Group Canada and Surerus Murphy Joint Venture is headquartered in Calgary, Alberta.

These entities deliver world-class infrastructure, together. Construction projects are executed in the pipeline and infrastructure sectors. While the entities do not currently produce or sell goods, we do distribute and import goods in Canada as part of our operations and supply chains. Occasionally, materials may be procured from suppliers who source or manufacture outside of Canada.

Our suppliers consist of 500+ third parties that provide materials, goods and services including contractors, subcontractors, vendors and independent consultants.

Policies

1. Code of Conduct and Ethics Standard (the "Code")

The Code has been adopted and approved by the Company's Executive Leadership Team to ensure that the Company adheres to ethical standards and obeys all applicable laws. While the Code does not explicitly touch on child and forced labour, it enforces high ethical standards from all employees, contractors and partners, as well as fosters a culture of transparency and respect.

The Company's Executive and Senior Leadership team are accountable for the implementation and administration of the Code. Each manager is responsible for seeing that all staff under his or her supervision are thoroughly familiar with the Code and are applying it consistently in all of their activities. The Code applies to all Executives, Directors, Employees, and Independent Contractors of SMJV and Surerus Pipeline Inc. (the "Workers").

The Code is reviewed at the time of hire, annually and whenever revision to the Code is published.



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2. Respectful Workplace Standard

The Respectful Workplace Standard (the "Standard") and its related practices apply to all employees, independent contractors, subcontractors, vendors and clients while working with Surerus Murphy Joint Venture (SMJV, the "Company"). The Standard incorporates prohibited grounds of discrimination under applicable human rights legislation. SMJV and all workers are expected to refrain from engaging in discrimination on the basis of any prohibited grounds listed under human rights legislation applicable to our workplace including race, religious beliefs, colour, gender identity, gender expression, disability, age, ancestry, place of origin, marital status, source of income, family status or sexual orientation. This list is not all inclusive, please refer to applicable human rights legislation for an extensive list of prohibited grounds.

The Company prohibits violence, harassment, and discrimination in the workplace. The purpose of this Standard is to provide a set of guidelines and expectations to the workforce in support of creating a healthy work environment that is consistent with our values: *Never Harm*, *Trust*, *Integrity* and *Assured Delivery*. This Standard is also intended to provide information on tools available to workers to access various levels of support.

Everyone has a responsibility to ensure that the working environment is respectful and free from harassment and violence. The Company has no tolerance for inappropriate or disrespectful behaviour and will deal with issues efficiently. Managers and supervisors are responsible that these workplace expectations are communicated and applied.

3. Green Hand Program

The Green Hand Program (the "Program") is a program to help new workers safely integrate into the Surerus Murphy Joint Venture (SMJV) workforce. The Program heightens the visibility of new workers and prevents incidents during their initial months of service. Inexperienced workers are at a much higher risk of injury because they generally have less experience in recognizing hazardous situations than more experienced workers. Many are also eager to please and resistant to ask questions, so they may take unnecessary or unrealized risks. They may also be unaware of their fundamental rights and obligations, including the right to refuse to perform unsafe work which may place themselves or others in danger.

The Program applies to all field-based workers who are considered a Green Hand as defined in this program. Subcontractors who have their own Green Hand or Short Service Employee Program in place are excluded from taking part in this Program if theirs meets the requirements of the Occupational Health and Safety (OHS) legislation.

Both Alberta and British Columbia OHS legislation define young workers, as those workers who are under the age of 25. The legislation requires employers provide specific training for the worksite, and be provided with an orientation that covers topics such as:

- Workers' Rights and Responsibilities under OHS legislation
- Workplace Health and Safety Rules
- Working Alone
- Personal Protective Equipment (PPE)



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SMJV provides a General and Project Specific Orientation, along with Pre-Access Training for all its workers as part of its Health and Safety Program. This program fulfils the legislative requirements for young workers and ensures the necessary controls are in place to protect not only this age group, but all workers on our worksites. Therefore, not all young workers are subject to the Green Hand Program, rather only those that have less than 6 months pipeline construction experience.

Underage workers are those workers under the age of 18 years. Workers in this age group can only be hired with approval from Human Resources. These workers are required to participate in the Green Hand Program no matter how much experience they have. In addition, they can only work during daytime hours and can never work alone.

4. Indigenous Engagement Policy

It is important and necessary to respect and understand Indigenous interests, in relation to both the impacts and opportunities derived from our activities.

- Indigenous peoples and their communities have the opportunity to benefit in cooperation with our business, through employment, economic development, education and training
- We participate in, and support, the communities where we live and work
- We respect the legal and constitutional rights of Indigenous peoples
- We work together with Indigenous communities to identify impacts of company activities on the community's values and needs to find mutually acceptable solutions and benefits

The *Indigenous Engagement Policy* supports our business decisions, project planning and is a foundational pillar within the business. The Senior Management Team is accountable for ensuring all employees, contractors and consultants adhere to this Policy. Every employee, contractor and consultant are responsible within his or her specific role to implement this Policy. The Executive Team fully supports this policy and shall ensure it is communicated, implemented, and reviewed annually.

5. Company Human Resources Policies

To ensure compliance with all applicable employment laws and to safeguard against the use of forced labour and child labour within the entities' business operations the Summer Student Program has guard rails for ensuring underage workers are not exploited. To be eligible to work in Canada, students must be:

- Legally eligible to work in Canada
- Minimum 17 years of age
- Must be an immediate family member of a regular full-time entity employee or independent contractor

Any exceptions are approved at the President or SVP Human Resources level.

Summer students that are under 18:

- Can only work during daytime hours
- Must never work alone
- Must participate in the Green Hand Program if working in the field



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6. Subcontractor Management Standard

Third parties engaged on behalf of the entity are pre-qualified through a rigorous process.

Identifying Risks of Forced Labour or Child Labour

The reporting entities operate within the Construction sector which has been identified as a potential industry carrying high risk for forced labour and child labour. Collaborative relationships are built with Tier 1 suppliers on projects and supplier oversight is in place. The entities' Greenhand Program is in place to ensure all new or underage workers are identified and mitigations are put in place to prevent any forced labour or child labour issues.

Remediation Measures

No remediation measures have been required to date as no issues of forced labour or child labour have been identified.

Training

Current training has been limited to awareness discussions are standards and policies are being developed. Formalized training will be developed as part of the implementation plan.

Assessing our Effectiveness

Supplier audits, inspections, and surveillance activities are in place to ensure no forced labour or child labour risks are identified and the entities are in compliance with the regulation.

Approval and Attestation

I attest that the information contained within this report has been reviewed, and to the best of my knowledge is true, accurate, and complete.

Connie Surerus

Mick Fitzpatrick, President SMJV

Connie Surerus, Director Surerus Pipeline Inc.