



## MODERN SLAVERY REPORT 2023 TARA Energy Services Inc.

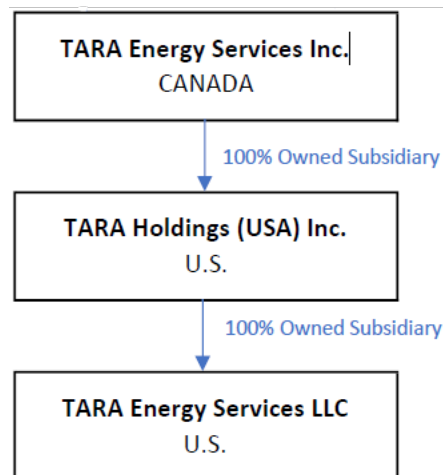
### Introduction

This report constitutes the first report published in compliance with the *Fighting Against Forced Labour and Child Labour in Supply Chains Act* (the “**Act**”) covering the financial year ended December 31, 2023 and is made on behalf of TARA Energy Services Inc. and its subsidiaries Tara Holdings (USA) Inc. and Tara Energy Services LLC (collectively, “**TARA**”).

This report sets forth the steps TARA has will undertake to mitigate modern slavery in the delivery of goods and/or services by our business in Canada or elsewhere or of goods imported into Canada by TARA. For the purposes of this report, modern slavery includes, but is not limited to, forced or compulsory labour, slavery, servitude, child labour or human trafficking, or acts committed with the intent of any of the foregoing.

### Structure, Operations and Supply Chain

TARA is a privately held energy services company headquartered in Calgary, AB with additional service offices and shop facilities in Alberta, British Columbia, and Texas. The following organizational chart sets out the Company's organizational structure and its material subsidiaries as of December 31, 2023:



TARA is a market leader in the mobile midstream infrastructure, completions, pressure testing, modular mobile facility and pipeline services within the North American energy industry. We provide clients in the energy industry with complete, mobile, flowback production testing service performed by skilled technicians. Data on fluid separation, gas

analysis and flow rates is captured and shared with customers to improve well performance. Additional offerings include field services, design, engineering and development, equipment rentals, and trucking.

TARA does not manufacture goods or handle raw materials. As an oilfield equipment and services provider, we consider our supply chains to be low-risk with respect to modern slavery. In total, we procure goods and services from approximately 160 suppliers and contractors. The suppliers we engage are local businesses who generally supply or provide goods and/or services such as oilfield equipment rentals, parts, materials and maintenance, as well as contract field labour and on-site technical services.

### **Measures to Prevent and Reduce the Risks of Modern Slavery**

At TARA, we are committed to working responsibly and ethically toward our goal of offering the energy industry first-in-class, complete custom equipment and field service solutions. We have a zero-tolerance approach regarding modern slavery.

TARA will be undertaking the following steps in fiscal year 2024 to reduce the risk of modern slavery in our business and supply chains:

- Map and identify important vendors in our supply chain;
- Implement a due diligence process for important vendors including:
  - a review and assessment of the policies and procedures for certain important vendors where deemed appropriate; and
  - design an annual review process for existing key vendors as well as for new key vendors.
- Maintain internal controls to ensure that all workers are of legal working age and are recruited voluntarily.

Details of our due diligence process and risk assessment are set out in this report.

### **Policies and Due Diligence Process**

#### *a) Code of Conduct and Ethics*

TARA will be implementing a Code of Conduct and Ethics in fiscal year 2024 which will emphasize honesty, professional responsibility, and compliance with the standards and regulations governing our business activity. Since we believe that these values are important at all levels of decision-making, the Code of Conduct and Ethics will apply to all our personnel, which includes employees, managers, officers, and directors. It will also extend to our vendors who are expected to act in alignment with our values and high ethical standards. The Code covers a large scope of activities and topics, including harassment, discrimination, and health and safety in the workplace.

In accordance with the Code of Conduct and Ethics, TARA personnel and vendors who become aware of a violation of the Code or of any illegal or unethical behaviour will have an obligation to report their concerns immediately in accordance with the jointly implemented Whistleblower Policy.

### b) *Whistleblower Policy*

To nurture a culture of openness and honesty, TARA will be adopting a Whistleblower Policy in fiscal year 2024 that provides a process for TARA personnel to report in good faith concerns or complaints pertaining to any known or suspected improper practices, questionable acts, misconduct, violations of law or any other violations of TARA's Code of Conduct and Ethics without fear of retaliation, harassment or an adverse employment consequence.

To this end, employees will be encouraged to report concerns through their normal management reporting chain. However, if an employee feels uncomfortable doing so, they will also have the option to submit an anonymous report through a confidential third-party hotline. Any such complaints or concerns received will be reviewed by the Audit Committee Chair and handled in accordance with the procedures described in the Whistleblower Policy. TARA's vendors will also be expected to report any incidents in accordance with the Whistleblower Policy.

### c) *Due Diligence Process*

As part of our commitment to fight against modern slavery, we will be implementing a due diligence process for our important vendors, which will include identifying vendors in high-risk industries and geographies. This process aims to flag vendors whose supply chains are at risk of exposure to modern slavery and to identify the processes and policies our vendors have in place to avoid and reduce modern slavery risks. At TARA, we expect that our vendors comply with all applicable legal requirements in the jurisdictions in which they operate, respect human rights standards and mitigate modern slavery within their businesses and supply chains.

Our due diligence process will cover key factors useful in identifying modern slavery risks, such as the vendor's structure, activities, geography, policies, compliance with national labour laws and regulations, and supply chains.

### **Risk Assessment**

At TARA, we are committed to working with vendors to address issues related to labour relations and working conditions in their supply chains. We stay up to date on the sectors and the geographies that pose a particular risk of modern slavery to identify these risks and take the appropriate measures to mitigate them. If our due diligence process establishes that modern slavery risk exists, a subsequent risk assessment is conducted to determine if risk mitigation steps, remediation steps and/or steps to terminate the relationship should be taken.

### **Assessing our Effectiveness**

In addition to putting into place the above noted measures to prevent and reduce the risk of modern slavery in our business and supply chains, we will also be implementing a system to assess the effectiveness of these measures. TARA will establish an assessment procedure in the future to ensure alignment with industry best practices. In addition, we

remain committed to the fight against modern slavery and will continue to review and enhance our policies and due diligence processes to mitigate our risk towards these practices.

### **Remediation Measures**

In 2023, no incidents of modern slavery have been reported within TARA. As a result, no remediation measures were required to correct an incident of modern slavery or to compensate for loss of income to vulnerable families. If a situation of non-compliance is reported in the future, TARA is committed to implementing remediation measures to correct the situation and improve the enforcement of the policies within the business and supply chains.

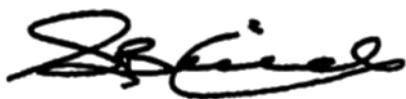
### **Training**

All TARA employees have a role to play in upholding our ethical standards, values, and principles. To honor our commitment and support our values and standards, all TARA employees will be required, on an annual basis, to acknowledge they have reviewed and will follow the Code of Conduct and Ethics. Employees are responsible for making consistent efforts to achieve TARA's objectives and understand the Code of Conduct and Ethics and review it on an annual basis. In 2024, TARA will be implementing mandatory training for TARA employees on key corporate policies including but not limited to the Code of Conduct and Ethics and Whistleblower Policy.

### **Approval and Attestation**

This report was approved by TARA's Board of Directors on May 17, 2024 for the financial reporting year ended on December 31, 2023, in accordance with subparagraph 11(4)(b)(ii) of the Act.

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



**Scott Bissell**  
Chief Executive Officer

May 24, 2024

I have the authority to bind TARA