

Varigate Holdings Corporation and affiliated entities

- **Varigate Technologies Inc.**
- **Canadian Casing Accessories Inc.**
- **Varigate Tubulars Ltd.**

Report: Forced Labour and Child Labour in Supply Chains (the “**Report**”)

*As required by former Bill S-211, *An Act to enact the Fighting Against Forced Labour and Child Labour in Supply Chains Act and to amend the Customs Tariff* (the “**Act**”)*

Reporting Year: 2023

Report Date: May 31, 2024

SECTION 1: Identifying information about the entity and about the Report

Reporting entity's legal names:

- Varigate Holdings Corporation (parent company)
- Varigate Technologies Inc. (wholly owned subsidiary)
- Canadian Casing Accessories Inc. (wholly owned subsidiary)
- Varigate Tubulars Ltd. (wholly owned subsidiary)

Financial reporting year: January 01 – December 31, 2023

Identification of a revised report: Not Applicable

Business number(s), if applicable:

- Varigate Holdings Corporation: 76430-4473
- Varigate Technologies Inc.: 77157-3953
- Canadian Casing Accessories Inc.: 71676-8924
- Varigate Tubulars Ltd.: 74762-8147

Identification of a joint report, if applicable: Joint Report – see entity legal names & business numbers

Identification of reporting obligations in other jurisdictions: Not Applicable

Entity categorization according to the Act: Corporation

Sector/industry: Mining, quarrying, and oil and gas extraction

Location: Alberta, Canada

SECTION 2: Act Subsection 11(1) - Steps taken to prevent and reduce risks of forced labour and child labour

The following actions are directed towards our employees and supply chain partners across all entities:

- Conducting an internal assessment of risks of forced labour and child labour in the organization's activities and supply chains
- Developing an action plan for addressing forced labour and child labour
- Developing a policy to require suppliers to have in place policies and procedures for identifying and prohibiting the use of forced labour and child labour in their activities and supply chains
- Developing anti-forced labour and child labour contractual clauses for the companies' standard terms and conditions
- Monitoring suppliers
- Developing training and awareness materials on forced labour and child labour
- Engaging with supply chain partners on the issue of addressing forced labour and child labour

SECTION 3A: Act Subsection 11(3) – Requirement (a) – Structure, activities, and supply chains

Structure & Activities

- Legal structure: Corporation with wholly owned subsidiaries
- Organizational structure: vertical – functional & divisional
- Organizational mandate or role: Varigate Holdings Corporation (“VHC”) has a controlling interest in three operating company subsidiaries. VHC provides executive management oversight and leadership to the subsidiary businesses as well as traditional shared services including, but not limited to: accounting and finance, human resources and payroll, insurance and risk management, and supply chain and procurement functions.
- Partner organizations, or membership in a group: Not Applicable
- Control of other entities, including what the controlled entities do and where they are located
 - Varigate Technologies Inc. (wholly owned subsidiary) – headquartered in Alberta, Canada. Varigate Technologies Inc. (“VTI”) is an Alberta based industrial distribution company that serves Western Canadian companies across all industries with their Carbide and Industrial Sealing needs.
 - Canadian Casing Accessories Inc. (wholly owned subsidiary) – headquartered in Alberta, Canada. At Canadian Casing Accessories Inc. (“CCAI”) we provide float equipment, centralization, and other cementing and casing accessories to oil and gas drillers operating in the Western Canadian Sedimentary Basin (“WCSB”).
 - Varigate Tubulars Ltd. (wholly owned subsidiary) – headquartered in Alberta, Canada. Varigate Tubulars (“VTL”) is a dependable provider of premium casing and

tubing solutions to oil and gas drillers operating in the Western Canadian Sedimentary Basin (“WCSB”).

- Number of employees
 - In Canada: 45 total employees in VHC, VTI, CCAI, and VTL combined.
 - Outside Canada: None

Supply Chain

VHC

- Supply chain is exclusively domiciled in Canada as tier one vendor spend is 100% services sourced exclusively in Canada

VTI

- Tier 1 suppliers of goods and services can be divided into 3 major geographies:
 - Canada 55-60% of total vendor spend
 - USA 10-15% of total vendor spend
 - International: 30% of total vendor spend, the majority of which is in China

CCAI

- Tier 1 suppliers of goods and services can be divided into 3 major geographies:
 - Canada 65% of total vendor spend
 - USA 19% of total vendor spend
 - International: 16% of total vendor spend, the majority of which is in India

VTL

- Tier 1 suppliers of goods and services can be divided into 3 major geographies:
 - Canada 99% of total vendor spend
 - USA 1% of total vendor spend

The company does not maintain data on the country of origin for its Tier 2 suppliers and beyond.

SECTION 3B: Act Subsection 11(3) – Requirement (b) – Policies and due diligence processes

The Companies maintain a suite of Sustainability Policies (see Appendix 1) which are accessible by all employees via their smart phone. These policies include:

- Workplace Diversity and Inclusion Policy
- Indigenous Peoples Policy
- Statement of Human Rights
- Whistleblower Protection Policy
- Philanthropy Policy
- Environmental and Social Reporting

These policies collectively provide for:

- Embedding responsible business conduct into policies and management systems
- Identifying and assessing adverse impacts in operations, supply chains and business relationships
- Ceasing, preventing, or mitigating adverse impacts

SECTION 3C: Act Subsection 11(3) – Requirement (c) – Forced labour and child labour risks

We acknowledge that suppliers further down our supply chains than tier one (i.e., indirect suppliers) whose operations are based in certain geographies, including China and India, carry a risk that forced labour or child labour could be used.

To date, none of our companies are aware of, have identified, or have been made aware of any instances of forced labour or child labour in our supply chains.

SECTION 3D: Act Subsection 11(3) – Requirement (d) – Remediation measures

Not applicable. To date, we have not identified any forced labour or child labour in our activities and supply chains.

SECTION 3E: Act Subsection 11(3) – Requirement (e) – Remediation of loss of income

Not applicable. To date, we have not identified any loss of income to vulnerable families resulting from measures taken to eliminate the use of forced labour or child labour in our activities and supply chains.

SECTION 3F: Act Subsection 11(3) – Requirement (f) – Training

Company onboarding procedures require all new hires to formally acknowledge they have read and agree to comply with the companies' suite of Sustainability Policies (see Appendix 1).

This is mandatory across all entities (VHC, VTI, CCAI, VTL) and covers all employees.

SECTION 3G: Act Subsection 11(3) – Requirement (g) – Assessing effectiveness

To date, no actions have been taken to assess our entities' effectiveness in preventing and reducing risks of forced labour and child labour in their activities and supply chains.

SECTION 4A: ATTESTATION – Varigate Holdings Corporation

In accordance with the requirements of the Supply Chains Act, and in particular section 11 thereof, I attest that I have reviewed the information contained in the report for the entity or entities listed above. Based on my knowledge, and 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 Supply Chains Act, for the reporting year listed above.



Signature - I have the authority to bind Varigate Holdings Corporation

Name: Ian Graham


Title: CFO

Company: Varigate Holdings Corporation

Date: May 31, 2024

SECTION 4B: ATTESTATION – Varigate Technologies Inc.

In accordance with the requirements of the Supply Chains Act, and in particular section 11 thereof, I attest that I have reviewed the information contained in the report for the entity or entities listed above. Based on my knowledge, and 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 Supply Chains Act, for the reporting year listed above.



Signature - I have the authority to bind Varigate Technologies Inc.

Name: Ian Graham

Title: CFO

Company: Varigate Technologies Inc.

Date: May 31, 2024

SECTION 4C: ATTESTATION – Canadian Casing Accessories Inc.

In accordance with the requirements of the Supply Chains Act, and in particular section 11 thereof, I attest that I have reviewed the information contained in the report for the entity or entities listed above. Based on my knowledge, and 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 Supply Chains Act, for the reporting year listed above.



Signature - I have the authority to bind Canadian Casing Accessories Inc.

Name: Ian Graham


Title: CFO

Company: Canadian Casing Accessories Inc.

Date: May 31, 2024

SECTION 4D: ATTESTATION – Varigate Tubulars Ltd.

In accordance with the requirements of the Supply Chains Act, and in particular section 11 thereof, I attest that I have reviewed the information contained in the report for the entity or entities listed above. Based on my knowledge, and 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 Supply Chains Act, for the reporting year listed above.



Signature - I have the authority to bind Varigate Tubulars Ltd.

Name: Ian Graham

Title: CFO

Company: Varigate Tubulars Ltd.

Date: May 31, 2024

APPENDIX 1: SUSTAINABILITY POLICIES



Workplace Diversity and Inclusion Policy

Varigate/CCAI is committed to providing a workplace which promotes innovation and creativity through our diverse and inclusive talent pool.

We aim to ensure that all those participating in our workplace are treated with respect, dignity, and fairness with an aim of creating an environment which promotes positive working relationships.

This policy has been established to ensure all employees understand our commitment to recognizing the value of diversity in our workplace as supported through:

- ✓ Equal employment opportunities;
- ✓ Ensuring work practices promote equality and are non-discriminatory.

Scope:

This policy applies to employees and contractors who are acting on behalf of **Varigate/CCAI**.

Diversity and Inclusion:

Varigate/CCAI recognizes that all people bring different qualities, abilities, skills, knowledge, experiences, perspectives, and attitudes to work. Valuing and making the most of these differences can improve the workplace for individuals and enhance the Company's overall performance.

We understand diversity is the presence of a wide range of human qualities and attributes within a group, organization, or society. The dimensions of diversity include but are not limited to:

- ✓ Ancestry;
- ✓ Culture;
- ✓ Ethnicity;
- ✓ Gender;
- ✓ Gender Identity;
- ✓ Language;
- ✓ Physical and Intellectual Ability;
- ✓ Race;
- ✓ Religion;
- ✓ Sex;
- ✓ Sexual Orientation;
- ✓ Socio-economic status;

Recruitment and Selection:

Varigate/CCAI recognizes the value of diversity in our workplace and strives to promote fairness and equal employment opportunities. The decision to employ or engage an individual is based on:

- ✓ Merit;
- ✓ Potential;
- ✓ Ability to Carry out the Role;



Varigate/CCAI seeks to address conscious and unconscious bias in recruitment through established human resource procedures with different managers, who are trained, involved in the interview process.

Career Development and Succession Planning:

Varigate/CCAI is committed to identifying and implementing programs that will assist in the development of a broader and more diverse pool of skilled and experienced employees

The Company will seek to develop its managers, supervisors, employees, and contractors to prepare themselves for higher levels of responsibility by offering equal opportunities for career development based on:

- ✓ Knowledge;
- ✓ Skills;
- ✓ Leadership prospects for future success;

Internal promotions and employee recognition programs will be used to encourage development as well as for a retention strategy.

Expected Behavior and Code of Conduct:

Varigate/CCAI values a workplace culture that is respectful of inclusion and diversity. There is zero tolerance for

- ✓ Bullying;
- ✓ Discrimination;
- ✓ Harassment;

This will be achieved through continuously educating our employees and contractors on the standards expected within our organization

Flexible Working Arrangements:

Varigate/CCAI acknowledges that the needs of employees change during different stages of life with different family support and care requirements.

As such, we will assess each situation presented and offer:

- ✓ Opportunity to work part-time;
- ✓ Flexible hours;
- ✓ Other supportive practices, as required, for employees to achieve work-life balance

The Company will consider different arrangements that balances both the needs of the employee and the business.

Breach of Policy:



All individuals covered by this policy are expected to adhere to the standards of behaviour contained in the policy. Any employee or contractor, who is found to have breached this policy will be discipline accordingly, which may lead to, and include termination of employment or engagement.

Measurable Objectives and Reporting:

Each year measurable objectives will be established for achieving the goals in this policy with a report of the outcome developed and distributed to senior management for review.

Indigenous Peoples Policy

Varigate/CCAI is committed to engaging with Indigenous communities where we have activities. Meaningful engagement and consultation begin with respecting the rights of Indigenous Peoples, whose legally recognized lands and traditional territories are within or near the areas where we may work.

We will engage early and often with communities to build solid relationships based on mutual trust, respect of customs, culture to achieve a satisfactory outcome and shared understanding of:

- ✓ Issues;
- ✓ Transparency;
- ✓ Inclusiveness;
- ✓ Two-way dialogue;
- ✓ Collaborative problem-solving

The intent of our Indigenous Peoples Policy is to guide development of these relationships over the lifecycle of our Company. It reinforces our commitment to foster opportunities for Indigenous people to participate in the economic, environmental, and social benefits of our operations

The policy also focuses our work with Indigenous communities in four key areas:

- ✓ Engagement and Consultation;
- ✓ Business Development and Capacity Building;
- ✓ Indigenous Employment;
- ✓ Community Investment;

It also contributes to our efforts to ensure consistent practices and high standards in engaging Indigenous Peoples across our operations.

Guiding Principles:

- ✓ Understanding the traditional cultures, land uses, customs, knowledge, and integrity of Indigenous People;
- ✓ Open and transparent two-way dialogue with Indigenous people;
- ✓ Building and sustaining long term relations with Indigenous people that span the lifecycle of our Company;

We Respect:

- ✓ The rights and traditional decision-making of Indigenous People;



- ✓ The need for honest and fair dialogue with Indigenous Peoples regarding both the impacts of our operations and our ability to respond to their interests and aspirations;
- ✓ The need to build our social license to operate with Indigenous People;

We are Inclusive:

- ✓ In consultation and engagement activities to ensure the voices of the leadership, elders, youth, and community members are heard;
- ✓ In promoting education, employment, community investment and economic development opportunities for Indigenous People;

We Act with Integrity:

- ✓ **Varigate/CCAI** will act diligently according to our policies;

Statement of Human Rights

Varigate/CCAI is founded on the principle of doing well by doing good, we have operated our business understanding that we are integral members of the communities where we live and work.

We have a remarkable and diverse group of people who work for our company and are some of our most valued resources.

We believe in:

- ✓ The principles of equality and non-discrimination;
- ✓ Are committed to treating all individuals with respect and dignity;
- ✓ Work to use our influence and business relationships to promote opportunity so individuals can enjoy their fundamental human rights.

We also recognize the interdependence of human rights and the environment, particularly as it relates to land and natural resources and the importance of the people whose livelihoods depend on these resources.

We do this in accordance with our endorsement of UN Guiding Principles on Business and Human Rights (UNGPs) and our commitment to the UN Global Compact and the Sustainable Development Goals.

Varigate/CCAI Human Rights Policy outlines our commitment to respect human rights throughout our operations and forms part of our Global Sustainability Strategy.

Scope of Commitment:

Our Human Rights Policy applies to all employees including part-time, temporary workers and contractors. Our commitment to respect human rights also extends to all supply partners and other



business partners. We will use our relationships with these groups to encourage and promote the principles of this policy throughout their networks

As a company. We abide by the laws in the areas we operate. Where local laws are less stringent than our policies and internationally recognized human rights and employment standards, we will be guided by the more stringent policies in place.

Focus:

We are committed to respecting all internationally recognized human rights, our management policies and ongoing procedures covering these rights. Our approach to human rights starts with understanding how our operations may impact rightsholders, both positively and negatively. We focus on the human rights issues that are most salient to our business.

Among the broader human rights issues we identified, our saliency process prioritized (in alphabetical order):

- ✓ Access to Grievance Mechanisms;
- ✓ Access to Water and Sanitation;
- ✓ Child Labour;
- ✓ Climate Change;
- ✓ Deforestation;
- ✓ Force Labour and Human Trafficking;
- ✓ Land Rights and Acquisitions;
- ✓ Living Wage and Income;
- ✓ Safety and Health;
- ✓ Women's Rights and Empowerment;

In prioritizing these issues, we recognize that some groups may be at greater risk of negative human rights impacts due to their vulnerability and marginalization.

Varigate/CCAI recognizes that other issues may grow in importance over time. We remain steadfast in our commitment to identify these issues and take appropriate actions to respond to potential human rights risks.

Implementation and Collaboration:

We conduct due diligence throughout our business to proactively assess, identify, prevent, and mitigate actual and potential adverse human rights impacts to stakeholders across our operations.

We also use due diligence to identify where we can better support and promote individuals' ability to live and exercise their fundamental human rights.

Due diligence tools we rely on include social, legal, and regulatory compliance reviews.



When adverse human rights impacts are identified due to our business activities or from linkages to our operations, timely and transparent action will be taken to remediate in a fair and equitable manner in alignment with the UNGPs.

Varigate/CCAI will not retaliate or permit retaliation against anyone who raises questions or concerns in good faith about corporate activities, and we are committed to investigating these issues thoroughly and providing appropriate responses and remedies.

Implementation:

Our commitment to human rights also includes building and investing in programs designed to change some of the fundamental circumstances that contribute to adverse human rights.

Accountability:

Respect for human rights is an integral part of our Global Sustainability Strategy. Management of human rights is the responsibility of our Health, Safety and Environmental Team of professionals which includes Senior Leaders.

Whistleblower Protection Policy

Varigate/CCAI is committed to the highest ethical standards, which is achieved by conducting our business with maximum integrity and by achieving full compliance with applicable laws, rules, and regulations.

In line with this commitment, we provide our employees, contractors, and stakeholders opportunity to raise concerns they may have about the subjects covered by this policy and to be assured that in making allegations they will be protected from reprisal or victimization for raising concerns in good faith.

This policy covers instances where an employee, contractor or a stakeholder has evidence of activity by anyone that constitutes:

Accounting, auditing, or other financial reporting fraud or misrepresentation, including misuse of public funds or public assets, forgery of documents, authorizing or accepting compensation for services not performed'

- ✓ Violations of laws that could result in fines or civil damage payable by Bridgepoint or that could otherwise significantly harm the Company's reputation or public image;
- ✓ Unethical business conduct;
- ✓ Inappropriate occurrences at a **Varigate/CCAI** event;
- ✓ An act or omission that creates a substantial and specific danger to the health, safety, or well-being of employees, contractors, or clients;
- ✓ Abuse of power or authority;
- ✓ Discriminatory behavior



This policy does not cover personal situations related to employment. The company provides an avenue for employees to raise these concerns under our internal program and policies.

Anyone who reports a Reportable Activity must be acting in good faith. Allegations that are not made in good faith will be viewed as a serious offence and may be subject to discipline up to and including dismissal.

Varigate/CCAI will not permit employees, contractors, or stakeholders to harass or discriminate against those other individuals who in good faith report an activity. Retaliation in any form will not be tolerated and should be reported immediately.

Process for Bringing Forward a Concern:

A complainant may submit a reportable activity by completing an incident report and submitting it to the President for action.

Complainant can remain anonymous; Varigate/CCAI will treat all reports fully made under this policy as confidential as possible while conducting a full and impartial investigation. If the Complainant does reveal their identity a full report of the investigation will be provided to the individual.

Accountability:

Complainants are accountable to act in good faith when reporting any Reportable Activity

Results of the investigation will not include details of any disciplinary action as this is to remain confidential to the individual concerned.

Any Reports and associated investigations will be filed confidentially with any other corporate documents that are legally binding for a period of not less than seven (7) years. A copy of results will be filed in the file of the employee being investigated.

Philanthropy Policy

Purpose:

At Varigate/CCAI, Corporate Philanthropy is part of our Corporate Sustainability.



This is centered on being a good citizen and having a positive impact on society while improving the quality of life for our clients, colleagues, stakeholders, and the communities in which we operate.

Policy:

The Corporate Philanthropy Policy addresses our corporate giving objectives, related to distribution of company funds. **Varigate/CCAI** will consider request from and support online giving for nonprofit agencies that:

- ✓ Provide training, life skills and opportunities for advancement to our citizenry, especially youth and those in under-served populations;
- ✓ Contribute to protection of the environment and implement programs that encourage responsible management of natural resources;
- ✓ Promote health, wellness and prevention of illness that impact our colleagues and communities where we live;
- ✓ Provide disaster relief, particularly those who serve locations where our colleagues live and work;

To be considered for a donation or match request, an organization our Company will donate to must be a registered nonprofit/charitable organization;

The guidance provided in this policy will not cover every possibility, special need or opportunity that may arise to which **Varigate/CCAI** chooses to donate will be assessed on a case-by-case basis.

Accountability:

Management is responsible for implementing, reviewing and ensure the intent of the policy is met throughout our operations.

Environmental and Social Reporting

Policy



Our Company is committed to protecting the environment and to maintaining public health and safety during all phases of operation to help protect the quality of the Canadian environment for future generations.

To meet this commitment, we will incorporate the following guidelines into our operating procedures. Management and workers share responsibility for environmental protection and the incorporation of specific procedures into day-to-day operations.

Environmental protection measures will be considered in the selection of suppliers of goods and services as well as company activities. **Varigate/CCAI** will review trucking activities under their direct control for potential environmental damage and utilize procedures to minimize potential concerns.

All workers will be made aware of the environmental implications of the trucking industry using training procedures, which meet or exceed existing regulatory and company policy.

The safety co-ordinator is responsible for and will facilitate required training and ensure training certification is legitimate and up to date. The safety co-ordinator is responsible for, and will facilitate, the incorporation of environmental awareness into operating procedure.

This section of the Corporate Safety Manual is intended to provide direction to all personnel representing **Varigate/CCAI** when dealing with environmental matters.

The policies and procedures in this section support the objectives:

- ✓ Company Health and Safety and Environmental policies
- ✓ Policies or procedures of our customers.

Regulatory Requirements:

Federal and Provincial Legislation require companies to comply with regulations regarding the handling, storage, transportation, treatment, and disposal of waste materials. In addition, legislation requires that companies comply with specific guidelines for environmental assessments, license application, site reclamation, air emissions, wastewater drainage, etc.

Canadian Environmental Protection Act:

The primary purpose of this Act is the control, from manufacture to final disposal, of all substances manufactured, used, imported to, or exported from Canada. Under Federal Regulations, each person involved in the waste management process will be held accountable for their actions. The penalties for not exercising “**due diligence**” measures to ensure the proper handling of hazardous materials include substantial fines and jail sentences.

Potential Environmental Impact:



Varigate/CCAI recognizes that the potential for environmental impact associated with transportations include product spills.

Waste Management:

The primary purpose of **Varigate/CCAI** waste management policy is to identify, handle, store and dispose of waste materials in an appropriate manner.

Waste is a substance or material intended for disposal that, in the short or long-term could cause harm to people, plants, animals or the environment. During operational and maintenance activities **Varigate/CCAI** generates wastes such as garbage, metals, oil, and products from emergencies such as spills, leaks, etc.

All waste must be properly handled, transported, and disposed of in accordance with applicable government regulations.

No person representing **Varigate/CCAI** is permitted to transport **hazardous** wastes from property owned, leased, or otherwise operated by **Varigate/CCAI**

Land filling:

Government regulations do not allow certain hazardous wastes, in excess of established minimum concentrations, to be disposed of in a landfill. Consult with the local authorities to determine the types of wastes that cannot be accepted. Wastes that may not be disposed of in a landfill are substances such as acetone, toluene, strong acids, and nickel-cadmium batteries.

Burning:

Most settled regions of the country do not allow burning of garbage or other products. The following guidelines for burning wastes shall be followed:

- ❖ Check with the proper authorities for clarification of their burning policies
- ❖ Obtain a burning permit from appropriate municipal or provincial government authorities, prior to burning
- ❖ Ensure the fire is always attended and fire extinguishers are readily available
- ❖ Ensure all safety procedures are followed

The most effective way of managing waste is by using the **“4R Program”**, wherever possible:

Reduce:

- ✓ Generate less waste through more effective practices; Order materials in bulk and in recyclable materials where possible to reduce the number of containers requiring disposal.
- ✓ Eliminate leaks or spills through proper equipment inspection and handling procedures.
- ✓ Separate waste into recyclable and non-recyclable categories to reduce disposal costs and facilitate recycling.
- ✓ Substitute non-hazardous materials for hazardous ones to reduce hazardous waste generation wherever possible.



Reuse:

- ✓ Generate less waste through reuse of materials. Send containers back to suppliers for refilling when possible.
- ✓ Reuse "consumable" items such as barrels, pails, oily rags, etc. whenever possible.

Recycle:

- ✓ Minimize treatment and disposal of wastes by utilizing recycling facilities. Most of the containers for products used by Varigate/CCAI can be recycled. There are currently facilities for:
 - Plastic containers
 - Metal drums
 - Used oil
 - Batteries
 - Metals
 - Aerosol cans
 - Cardboard
 - Tires

Recover:

- ✓ Minimize treatment and disposal of wastes.
- ✓ Samples and solvents are added back into the product stream.
- ✓ If the 4"R"'s options are not applicable to a waste material, proper treatment and/or disposal is required.

Guidelines for Managing Waste:

Planning:

Varigate/CCAI will assess the potential effect of their operations on the environment and will prevent or mitigate these effects as far as possible by introducing protective measures into the planning process.

Compliance:

Varigate/CCAI will comply with the applicable laws of the jurisdiction within which it is operating. Employees will be informed of such laws, their responsibilities thereunder, and operations will be monitored on an ongoing basis to ensure compliance.

Corrective Action:

Varigate/CCAI will correct procedures as necessary to reduce negative environmental effects by company-controlled activities.

Emergency response:

Varigate/CCAI has developed emergency response procedures to minimize consequences caused by emergency events and has adequately trained personnel to ensure an effective response.



Site Maintenance:

Varigate/CCAI will actively reduce site clean-up requirements resulting from their activities by the ongoing use of equipment maintenance and correct disposal procedures during operations.

Spills and other environmental hazards will be reported to dispatch, and where required, to the appropriate government agency.

Gates, cattle guards, and fences will be left in reasonable condition. Existing damage will be noted to dispatch. Employees and contractors will close gates when accessing and leaving the site and repair any damage to fences caused by their activities.

Employees of **Varigate/CCAI** are responsible for ensuring that procedures are followed regarding:

- ✓ On-site waste disposal
- ✓ Hazardous/non-hazardous waste segregation and disposal
- ✓ Recyclable and non-recyclable

Each field site will be reviewed periodically to ensure that no refuse or waste materials belonging to Company remain.

The following guidelines are to be utilized by management and drivers to ensure that the responsibilities are met:

- ✓ Spill Response
- ✓ Waste Disposal
- ✓ Equipment Inspections

Procedures for Spill Response:

Varigate/CCAI will maintain equipment in good order and train employees in the proper handling of products to reduce the occurrences of potential spills and other releases.

Emergency on-site spill response for refined and unrefined materials:

- ✓ Protect human life
- ✓ Prevent further release of the pollutant
- ✓ Contain the spilled pollutant
- ✓ Minimize the effects of the spill; and
- ✓ Restore the area affected and the environment as nearly as possible to its condition immediately prior to the spill.

If a spill or release of a product occurs at a site, in a volume which is deemed reportable, **Varigate/CCAI** will immediately commence clean-up of the spill and will contact the department by telephone at 1-800-222-6514. This report will include:

- ✓ Location and time of the spill
- ✓ The type and quantity of the pollutant spilled



- ✓ The details of any action taken and proposed to be taken at the spill-site to meet the requirements of the above-mentioned response
- ✓ A description of the location of the spill and the immediately surrounding area

Where required and within seven days of the making of the report, a written report shall be sent to the Alberta Environment. This written report shall state:

- ✓ The location and time of the spill including the legal subdivision, township, and range
- ✓ The type and quantity of the pollutant spilled
- ✓ A description of the spill site area
- ✓ The names of all persons notified of the spill
- ✓ The known causes and effects of the spill
- ✓ Any remedial action or work that is contemplated or required

Spill Kit will contain the following (capable of containing a **40-litre** spill or more)

- ✓ 20 L metal pail & lid
- ✓ 1/8" grounding cable with clips (4' long)
- ✓ Sewer Mat (3'x3'x1/16")
- ✓ 10 - Polypropylene spill pads (17"x19")
- ✓ 4 – Heavy duty plastic bags
- ✓ Non-ferrous shovel
- ✓ Boom Sock (3')
- ✓ Broom
- ✓ Long handled shovel
- ✓ Spill kit contents list
- ✓ 2 – Bags of absorbent material

The contents of the spill response kits will be assessed quarterly to ensure they contain adequate spill response supplies.

Procedures for Waste Disposal:

We are committed to protection of the environment through the proper managing and disposal of waste products. A priority is to limit the amount of waste generated through its activities by reducing, reusing, recycling, and recovering, and using available facilities to maximize product usage.

Project wastes, trash, scrap, and materials will be assess/estimated prior to the work beginning through a formal hazard assessment process and in coordination with the client. Management of waste generated on the sites will be the supervisor who must ensure it has been appropriately handled and disposed of.

When handling waste, trash, scrap, and materials all employees are required to conduct a field level hazard assessment and ensure appropriate personal protective equipment is worn including, but not limited to, gloves, steel toed boots and coveralls.

All employees handling waste, trash, scrap, and materials will be provided waste management training.



Separation & Segregation: Hazardous & Non-hazardous Waste:

Waste products requiring disposal will be separated into hazardous and non-hazardous products and sent to appropriate, licensed disposal facilities. No employees will handle hazardous waste or spills without proper training. Transporters of hazardous waste will be required to illustrate that the transport unit is properly equipped to carry such waste, employees are professionally trained to handle such waste, and that valid licenses are in place. Contractor safety records will be periodically reviewed to ensure that their safety programs are effective. Waste disposal facilities will undergo a similar review procedure. The safety co-ordinator will request a copy of each waste facility license to operate prior to disposing of waste at that facility, to ensure that the facility is meeting the requirements of the legislative jurisdiction in which it is operating.

Used Oil: Collection & Disposal:

Varigate/CCAI will collect used oil and filters at the shop and return the oil for recycling at licensed facilities.

Varigate/CCAI will establish procedures for collection and transportation of used oil and filters. Storage at the Company shops will be in a manner which complies with the standards set legislative standards.