

BACKWOODS ENERGY SERVICES GP FIGHTING AGAINST FORCED LABOUR AND CHILD LABOUR IN SUPPLY CHAINS REPORT

FOR THE YEAR ENDED DECEMBER 2024

About Us

Backwoods Energy Services GP Inc. and its subsidiaries (collectively, “Backwoods” or “our,” “we”) have prepared this joint *Fighting Against Forced Labour and Child Labour in Supply Chains Report* (the “Report”) in accordance with Canada’s *Fighting Against Forced Labour and Child Labour in Supply Chains Act*, SC 2023, c 9 (the “Act”), section 11(2), for the financial year ended December 31, 2024 (the “Reporting Period”).

As required under the Act, this Report outlines the measures Backwoods has taken during the Reporting Period to prevent and reduce the risk of forced labour and child labour in any part of the production of goods in Canada, or goods imported into Canada, by Backwoods.

Backwoods is rooted in the United Nations (UN) Universal Declaration of Human Rights, and they adhere to the UN Guiding Principles on Business and Human Rights. The Company unequivocally prohibits all forms of forced labour and child labour—collectively referred to as Modern Slavery—across the entirety of business activities, including their supply chain, vendors, and partners.

Note all entities listed below are not subject to reporting requirements under supply chain legislation in any other jurisdictions.

Legal Name of Reporting Entity	Country Headquartered	Province/State Headquartered
Backwoods Energy Services Limited Partnership	Canada	Alberta
Backwoods Matting Services Limited Partnership	Canada	Alberta
Backwoods Security Services Limited Partnership	Canada	Alberta
Backwoods Security Services Ltd.	Canada	Alberta
Backwoods Development GP Inc.	Canada	Alberta

Backwoods’ registered office and primary place of business is located at #200, 1603 91 St. SW, Edmonton, AB, T6X 0W8. For further details, please visit our website <https://www.backwoodsenergy.ca>, or contact via email info@backwoodsenergy.ca.

Strategies for Mitigating Forced Labour & Child Labour in 2024

Backwoods’ supply chain connects the Company to its vendors, service providers, distributors, and consultants, enabling the delivery of key services. All stakeholders—including directors, employees, contractors, and suppliers—are expected to comply with applicable Canadian laws, including those prohibiting child labour, forced labour, human trafficking, and slavery, as well as legislation on human rights, labour standards, and fair working conditions.

In 2024, Backwoods advanced its efforts to identify and mitigate risks related to forced and child labour within its operations and supply chains, in alignment with the requirements of the *Fighting Against Forced Labour and Child Labour in Supply Chains Act*. Senior Management remains committed to understanding the implications of the Act and ensuring compliance. This includes participation in external training sessions and engagement with external advisors to support and strengthen the Company’s compliance framework.

As part of Backwoods’ commitment to human rights and the prevention of forced and child labour, our standard Procurement Terms and Conditions—incorporated into all Purchase Orders—include provisions that strengthen supplier accountability. Suppliers are contractually obligated to comply with all applicable laws, adhere to Backwoods’ policies and ethical standards, maintain appropriate insurance coverage, and ensure their personnel are properly qualified. Backwoods reserves the right to inspect and reject any goods or services that do not meet specified

requirements, and suppliers are liable for any breaches, including those related to human rights violations. These measures form a core element of our human rights due diligence framework and support responsible sourcing across our operations.

To support compliance with the Act and strengthen our approach to human rights due diligence, Backwoods undertook several internal initiatives during the Reporting Period, including:

- Formation of an internal working group comprised of management representatives and a third-party consultant, tasked with assessing the implications of the Act on our organization.
- Participation in internal workshops to deepen our understanding of the Act's objectives and compliance requirements, alongside consultation with external advisors to tailor our response to the Act's framework.
- Enforcing strict labour policies, including:
 - Prohibiting the employment of anyone under the age of 18 and restricting those under the age of 18 from engaging in heavy physical labour;
 - Ensuring employee compensation aligns with all relevant laws, regulations, and company policies; and
 - Refusing to employ those who are not permitted to work in Canada.

Supply Chain

The supply chain of Backwoods is characterized by collaboration with a network of more than 1,600 suppliers, each playing a crucial role in bolstering the company's operational endeavors and supporting its stakeholders. Remarkably, close to 100% of these suppliers are based in Canada, underscoring Backwoods' commitment to local sourcing, with a minority originating from the United States.

These suppliers provide a diverse array of goods and services essential to Backwoods' operations, including but not limited to maintenance, repair, and operations (MRO) parts, materials, and services pertinent to the construction, mining, and energy sectors. Additionally, a portion of the suppliers contribute forest products sourced from local producers, alongside textiles in the form of personal protective equipment (PPE).

Backwoods implements an approval process for all new vendors, designed to assess, oversee, and approve eligible suppliers. This thorough approach ensures unwavering adherence to the Company's standards of compliance, quality, and safety across the entire spectrum of products and services, thus fostering consistency and reliability.

To ensure alignment with both business objectives and regulatory mandates, the Company continuously monitors and evaluates the performance and compliance of suppliers. Upon onboarding a new supplier, a risk assessment methodology is employed to effectively manage and mitigate potential risks. Moving forward, the Company intends to enhance the onboarding review process by incorporating a questionnaire addressing human rights and labor conditions, further strengthening a commitment to ethical sourcing practices.

Risk Assessment

It is acknowledged that the risk of forced and child labor in Backwoods' supply chains varies based on the nature and scope of activities conducted. Existing policies, procedures, and practices are designed to ensure that labor employed by suppliers is voluntary, provides fair wages, is non-exploitative, and that facilities where workers are present comply with health and safety standards. Vigilance is maintained in assessing and monitoring these risks, with continual efforts to enhance processes and fortify protections against such risks.

Backwoods has implemented enterprise-wide policies and an integrated risk management framework to prevent and mitigate the risks of forced and child labour. With Board oversight, we maintain a zero-tolerance approach to human rights violations and are committed to upholding international standards, actively working to prevent any association with human trafficking, labour exploitation, or related abuses across our operations and supply chains.

As part of our supplier due diligence, we assess the jurisdictions in which our suppliers operate. Currently, 100% of our direct suppliers are based in Canada and subject to Canadian laws, including the *Canadian Human Rights Act*. Suppliers are categorized by the goods and services they provide and undergo risk evaluations to identify potential exposure to forced or child labour. While no immediate risks have been identified in our direct supply chain, we recognize the potential for risk among tier-two and indirect suppliers.

Our workforce—including head office and field employees, as well as contractors—is fully governed by Canadian employment laws, which provide additional safeguards against forced and child labour.

Policies & Mandates

At Backwoods, the commitment to compliance with relevant laws, regulations and industry standards is unwavering. Employees and service providers are held to the highest standards of integrity, honesty and ethical conduct in all their responsibilities within the business environment.

Every individual associated with Backwoods, including directors, officers, employees, service providers, suppliers, and contractors, is mandated to strictly adhere to applicable laws, including those of Canada and its provinces. These laws prohibit practices such as child labor, forced labor, human trafficking, and slavery. Additionally, adherence to laws concerning human rights, labor rights, freedom of association, collective bargaining and working hours is paramount.

Code of Conduct and Ethics (the Code) is the foundation of our company policies and sets out guiding principles on professional conduct and establishes that in performing their job duties, Backwoods employees should always act lawfully, ethically and in the best interests of Backwoods. Backwoods is committed to enhancing governance practices, exemplified by the introduction of new policies such as the Supplier Code of Conduct. Oversight of adherence to the Code will be managed by the Board, with Senior Management providing regular reports to the Governance Board committee to facilitate monitoring and compliance.

Governance Oversight

Backwoods' approach to addressing modern slavery is guided by strong governance practices, with oversight provided by its Board of Directors and Governance and Compensation Committee. The Board is responsible for reviewing and approving the Company's policies related to ethical conduct, human rights, and regulatory compliance, including those that address risks of forced labour and child labour. Senior Management provides regular updates to the Governance and Compensation Committee to ensure that emerging risks are identified, internal controls are effective, and the organization remains compliant with applicable legislation, including the Fighting Against Forced Labour and Child Labour in Supply Chains Act. This oversight structure reinforces Backwoods' zero-tolerance approach to modern slavery and strengthens accountability across all levels of the organization.

Education & Training

Backwoods is dedicated to enhancing its onboarding process by incorporating comprehensive training on Company policies, including the Code and corporate values. This initiative reflects Backwoods' unwavering commitment to honesty, integrity, and accountability. The Code emphasizes the crucial role of each employee's cooperation and dedication to ensure sustained success in maintaining Backwoods' reputation as a responsible corporate citizen.

In adherence to the Code's principles, all directors, officers, employees, and consultants are required to undergo onboarding sessions wherein they must read and affirm their understanding and dedication to its tenets. Individuals uncertain about whether an action or working condition contravenes Company policies are encouraged to seek guidance from leadership or the Human Resources department.

At Backwoods, fostering an environment of open and transparent communication is paramount. They actively encourage all stakeholders to report any instances of policy violations or breaches of standards, without fear of retaliation. This commitment underscores a dedication to upholding Company values and ensuring ethical conduct throughout the organization.

Assessment

Following an examination of the supply chain, Backwoods has determined that the risk of Forced Labour and Child Labour within the operations is minimal. Their suppliers primarily operate within Canada and are not classified as high-risk entities and are mandated to adhere to Canadian laws and regulations.

While the overall risk level is assessed as low, Backwoods acknowledges the imperative of establishing robust management systems to proactively mitigate the risk of Forced Labour and Child Labour within the supply chain. At the time of this Report, Backwoods had not been made aware of any current or recent incidents of Modern Slavery associated with their supply chains or business operations.

Next Steps

Addressing modern slavery risks within operations and supply chains remains a key priority for Backwoods, requiring ongoing vigilance and continuous improvement. In the year ahead, Backwoods plans to implement the following measures:

1. Review and enhance policies related to forced and child labour.
2. Strengthen supplier prequalification and onboarding processes.
3. Engage suppliers to reinforce Backwoods' zero-tolerance stance on modern slavery and promote shared accountability.
4. Deliver regular employee training to increase awareness of slavery, forced labour, human trafficking, and child labour.

Through continued monitoring and evaluation, Backwoods remains committed to ethical business practices and mitigating modern slavery risks across its supply chain.

Approval and Attestation

This Report was approved pursuant to subparagraph 11(4)(b)(ii) of the *Fighting Against Forced Labour and Child Labour in Supply Chains Act* by the Board of Directors of Backwoods Energy Services GP Inc. In accordance with the requirements of the Act, and in particular section 11 thereof, I attest that I have reviewed the information contained in this 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 Act, for the financial year ended December 31, 2024.

I have the authority to bind Backwoods Energy Services GP Inc. and the Reporting Entities.

(signed) "Harvey Sheydwasser"
Chairman, Backwoods Energy Services GP
May 28, 2025