

# **2024 REPORT:**

Fighting Against Forced Labour and Child Labour in Supply Chains Act



# **INTRODUCTION**

This Report outlines the governance processes, existing measures and progress made by Wolf during the financial year ending December 31, 2024 ("Reporting Period") pursuant to Canada's Fighting Against Forced Labour and Child Labour in Supply Chains Act (the "Act"). It demonstrates our respect for human rights, commitment to integrity in our operations and supply chains, and dedication to ethical and responsible business relationships.

This Report is made jointly by Wolf Investments Canada LP ("WIC LP") and its subsidiaries Wolf Midstream Canada LP ("WMC LP"), Wolf Pipeline Inc. ("Wolf Pipeline"), Wolf Carbon Solutions Inc. ("Wolf Carbon") and Wolf NGL Inc. ("Wolf NGL"). The entities are collectively referred to in this Report as the "Wolf Platform" or "Wolf". This report sets out the steps taken during the Reporting Period to prevent and reduce the risk that forced labour and/or child labour is used in Wolf's supply chain. This includes all stages of the production of goods in Canada or elsewhere by Wolf, as well as goods imported into Canada by Wolf.

# Overview of Steps Taken to Prevent and Reduce Risks of Forced Labour and Child Labour

Wolf took the following steps during the Reporting Period to prevent and reduce the risk of forced labour and/or child labour in our business and supply chains:

- maintained our internal working group comprised of Wolf management representatives from supply chain, legal and human resources to continue to review and address the risks of modern slavery and assess the effectiveness of the actions taken to date;
- continued to map our supply chains;
- conducted ongoing internal evaluations of the risks of forced labour and/or child labour in our
  activities and supply chains, with a continued assessment that the risk is low having regard to
  Wolf's business;
- continued to inform our suppliers of the requirements of our Supplier Code of Conduct;
- continued to require our suppliers to comply with modern slavery-related laws and our Supplier Code of Conduct pursuant to our standard-form contract terms;
- requested that each new supplier complete a questionnaire relating to modern slavery, human rights and supply chain risks which is integrated into our supplier screening and management system; and
- provided training by internal legal and external legal experts on the issues of forced labour and child labour (including recognition and prevention) to Wolf employees in the legal, supply chain and major projects departments as well as leaders from the field operations teams, human resources and IT departments.

These actions were applied broadly across the Wolf Platform. Details of the above actions are set out in this Report. Wolf intends to continue to evaluate our reporting processes to ensure that our reporting complies with the requirements set out in the *Act*.

# STRUCTURE AND OPERATIONS

WIC LP is a private, Calgary-based limited partnership that, via subsidiaries, owns and operates midstream energy infrastructure assets in Western Canada. As limited partnerships, the affairs of both WIC LP and WMC LP are administered, managed and operated by their general partner, Wolf Midstream Canada GP Inc.

Wolf has three businesses: Pipeline, Carbon and Natural Gas Liquids ("**NGL**"). The three distinct businesses are operated by Wolf Pipeline, Wolf Carbon and Wolf NGL, respectively.

## **Wolf Pipeline**

Wolf Pipeline owns and operates the Access Pipeline System ("the Access System"), a modern, high capacity pipeline system commissioned in 2007, materially expanded in 2012, with a 40-plus year useful life. The Access System transports customer diluent and diluted bitumen blend between customer facilities in the Christina Lake area of Northeast Alberta and the Edmonton area. It provides customers with direct access to the Edmonton upgrading, refining and pipeline export markets, and direct connections to domestic and imported diluent supply sources in the Edmonton and Fort Saskatchewan areas.

In 2023, Wolf Pipeline completed construction and commissioned the Net Zero Connector ("**NZC**") system. NZC is a stand-alone 230-kilometer, 12-inch pipeline that transports customer ethylene between the Fort Saskatchewan area and Prentiss, Alberta.

#### **Wolf Carbon**

Wolf Carbon owns and operates the Alberta Carbon Trunk Line ("ACTL") system, a 240-kilometer pipeline system that gathers, compresses and delivers CO₂ to third-party end users. ACTL is positioned to broadly connect and provide future emissions reduction solutions to the Western Canadian energy industry.

In 2024, Wolf completed construction of an extension of ACTL into the Edmonton region (the "ACTL Edmonton Connector"), to help facilitate additional large-scale emissions reductions for existing and new industrial facilities.

Wolf Carbon is advancing two ACTL connected CO₂ sequestration hubs: (1) the Wolf Lamont Carbon Hub, which is a collaboration with Whitecap Resources, the First Nations Capital Investment Partnership (Alexander First Nation, Alexis Nakota Sioux Nation, Enoch Cree Nation and Paul First Nation) and Heart Lake First Nation; and (2) the Wolf Central Carbon Hub, a collaboration with Whitecap Resources that is proximate to large industrial complexes in the Red Deer region.

#### **Wolf NGL**

Wolf NGL owns a natural gas liquids recovery, transportation and separation system (collectively, "NGL North") that produces ethane, propane, butane and condensate. NGL North achieved commercial operations in 2023. The Wolf Recovery Facility 1, located in Northeast Alberta, is an NGL recovery facility with an ultimate processing capacity of approximately one billion cubic feet of natural gas per day and recovers higher carbon NGLs prior to downstream combustion. The recently completed NGL transportation system transports recovered NGL from the Wolf Recovery Facility 1 to the Wolf Feedstock Separation facility. The system has the capacity to recover, transport and separate 70,000 barrels per day of C2+ liquids from the oilsands region and delivers to specific NGL markets in the Edmonton region.

In 2024, Wolf NGL began work on the second phase of development for NGL North ("**NGL North Phase II**"), which is expected to be constructed and operational by mid 2027.

### **SUPPLY CHAINS**

Wolf strives to build relationships with key suppliers that align with its values.

During the Reporting Period, Wolf began to purchase long lead items for its NGL North Phase II project, with the most significant purchases being pipeline supply originating in Western Canada and the importation of various equipment components from companies operating in the United States, with the key purchases being electric motor drives, compressors, pumps, valves, converters, filters and spare parts.

The vast majority of Wolf's tier 1 vendors are domiciled in North America, with approximately 90% of our purchases during the Reporting Period coming from suppliers in Canada and approximately 9.9% from suppliers in the United States. A small portion of our purchases in 2024, approximately 0.01%, were made directly from a supplier located outside of North America, being one supplier based in the United Kingdom. We appreciate that a number of our suppliers supply us with products that originate from other jurisdictions and have their own global supply chains. Although Wolf has begun to map its supply chain through responses obtained from its supplier questionnaires, it does not currently have detailed visibility on its suppliers beyond the first tier.

Wolf continues to be committed to conducting all its business ethically, including our contracting and procurement activities. Wolf's supply Chain agreements were amended last year to emphasize compliance with the *Act*. We review and update our agreements regularly to stay aligned with new legal developments.

# **POLICIES**

Wolf is committed to maintaining a culture of safety and integrity supported by responsible environment, health and safety management practices and public safeguards. We are also committed to protecting, respecting and supporting human rights and do not tolerate the use of any form of slavery, servitude, forced labour, child labour or human trafficking within our operations or supply chains.

Wolf has several key policies and codes in place to achieve our commitments, including a Supplier Code of Conduct and our Code of Business Ethics. In addition, Wolf has a Whistleblower Policy that provides a method for Wolf personnel and suppliers to report concerns about Wolf's business practices anonymously. Through effective policies, we can help identify, address, remedy and prevent potential human rights impacts, including modern slavery.

#### Code of Business Ethics ("COBE")

The COBE applies to all of Wolf's directors, officers, employees and contractors and sets out fundamental principles to guide a wide range of business practices and procedures, including principles aimed at upholding human rights and complying with applicable labour laws (including those enacted to eradicate forced labour, child labour and human trafficking). The Wolf Platform is committed to:

- employing qualified workers who are legally authorized to work in our operating locations;
- working with vendors and subcontractors who are committed to conducting business with integrity and in compliance with applicable laws and regulations;
- not using or tolerating the use of forced labour or child labour;
- raising the importance of identifying and preventing forced labour, child labour and human trafficking; and
- ensuring legal and regulatory reporting requirements are met.

The COBE applies to every employee, as well as to management contractors and consultants acting in a capacity of a representative of, or an agent for, the Wolf Platform. Compliance with the COBE is a condition of employment and all employees must review and acknowledge their adherence with the COBE annually. Prior to the adoption of the Supplier Code of Conduct in 2023, a copy of the COBE was provided to Wolf suppliers. Currently, suppliers receive both codes.

# **Supplier Code of Conduct ("SCOC")**

The SCOC sets out our expectations of suppliers, vendors, contractors, service providers, manufacturers and distributors (collectively, "Suppliers") with respect to how we conduct business ethically, including by upholding human rights. The SCOC reflects our commitment to a culture of honesty, integrity and accountability. Suppliers are expected to conduct themselves in a way that maintains Wolf's reputation and standards.

With respect to human rights and labour practices, the SCOC sets out Wolf's expectation that Suppliers:

- ensure a safe workplace, free of harassment, discrimination, bullying, violence and intimidation;
- comply with applicable labour laws governing work hours and compensation, including minimum wage, overtime and benefit requirements;
- employ qualified workers who are legally authorized to work in the location of their employment and validate their workers' eligibility status;
- not use or tolerate the use of any form of slavery, servitude, forced labour, child labour or human trafficking;
- ensure that any workers under the age of 18 years are not involved in night work or work that is
  mentally, physically, socially or morally dangerous to them and ensure that their employment
  does not interfere with their schooling;
- comply with all applicable laws and regulations governing freedom of association and collective bargaining;
- not use any form of labour or service under circumstances that could reasonably be expected to
  cause the worker to believe their safety or the safety of a person known to them would be
  threatened if they failed to provide the labour or service;

- not use any form of forced or prison labour, require workers to surrender any government issued identification or passports or require workers to pay recruitment or other fees;
- take appropriate steps to raise awareness of forced labour and child labour to their workforce;
   and
- be informed by the principles set out in the United Nations *Guiding Principles on Business and Human Rights* and the International Labour Organization *Declaration of Fundamental Principles and Rights at Work.*

Wolf has made a copy of the SCOC available to each of its Suppliers and, pursuant to the standard terms and conditions in its form of supplier contract, suppliers are expected to adhere to the principles of the SCOC.

# Whistleblower Policy and Procedures ("Whistleblower Policy")

Wolf is committed to providing access to remedy employee concerns through effective grievance mechanisms. Our Whistleblower Policy offers confidential access to the Wolf Board Chair if a director, officer, employee, consultant, contractor or agent of Wolf believes there has been a violation of the COBE or suspects a breach. The Whistleblower Policy allows grievances to be reported confidentially and without fear of reprisal. The grievances can be reported openly, confidentially or anonymously through the Confidence Line, which is managed by outside, independent service providers. The Wolf Board Chair and General Counsel of Wolf will receive, investigate and take appropriate action related to complaints and concerns related to contravention of Wolf's policies, subject to conflicts of interest.

To prevent non-compliance with the SCOC, our Confidence Line also allows any individual, including suppliers, to report instances where the above SCOC principles are not being respected.

# **DUE DILIGENCE PROCESSES**

Wolf continued to develop our responsible business conduct and due diligence processes in relation to detecting and preventing modern slavery in our business and supply chains during the Reporting Period. Our standard form supplier contract terms and conditions have been amended to assist with mitigating against the risks of modern slavery. During the Reporting Period, we required suppliers to comply with the following:

- procure goods and/or perform services in accordance with the SCOC, and ensure that the
  principles set out therein are followed in relation to the utilization of any supplier employees,
  subcontractors or sub-suppliers;
- not use any goods or materials in connection with performing the contract that it knows or should reasonably suspect were sourced or made using any form of modern slavery;
- take appropriate steps to raise awareness of modern slavery issues to its employees, agents and subcontractors; and

• provide to Wolf or its agent, upon request, information to assist Wolf in undertaking due diligence on its supply chain, including by way of a questionnaire issued periodically.

Wolf will continue to monitor its modern slavery risks and take steps to adopt practices to reduce such risks.

As a part of our effort to assess and reduce the risks of modern slavery, in the fourth quarter of 2023, we created a targeted supplier questionnaire on modern slavery, human rights and supply chain risks. During the Reporting Period, we commenced sending the questionnaire to prospective suppliers to assist Wolf in identifying modern slavery risks within our supply chain. In 2025, we will continue to require that prospective suppliers complete the supplier questionnaire, as well as those whose qualification is subject to renewal.

# RISKS OF MODERN SLAVERY AND RISK-MITIGATING MEASURES

Our workforce, which consists of office workers and skilled energy industry workers, are all based in the Province of Alberta. Given their location of employment and required skill level, we consider that there is a low risk of modern slavery risks in our direct operations. In addition, all site operational and office staff are hired in accordance with Platform-wide standard policies and all employees and contractors have written employment letters and contracts that conform to applicable laws and regulations as vetted by our legal and People Services team.

In terms of our supply chain, Wolf continued to take steps during the Reporting Period to map and understand the risks in our supply chain through assessments of completed supplier questionnaires. To date, no red flags have been identified through our due diligence process. As the Wolf Platform sources approximately 90% of its equipment and other supplies from vendors in Canada and all of its supplies from vendors in North America and Western Europe, we consider the risk of modern slavery in the first tier of our supply chain to be low.

As disclosed above, in order to manage any risk of forced labour or child labour in our supply chain, we strengthened our standard form vendor contract terms and conditions and during the Reporting Period began to require vendors to abide by our Supplier Code of Conduct.

In addition, the internal working group comprised of Wolf management representatives from supply chain, legal and human resources that was formed in 2023 to review the impact of the *Act* on Wolf continues to be engaged in this topic. In particular, the working group continues to review and address the risks of modern slavery and assess the effectiveness of the actions taken to date.

# **REMEDIATION MEASURES**

Through grievance mechanisms, we are committed to providing access to remedies. Our Whistleblower Policy allows for grievances to be reported confidentially and without fear of reprisal. During the Reporting Period, Wolf did not receive any reports of, and did not otherwise identify, any instances of suspected or actual forced labour or child labour in its operations or supply chains. As a result, we have not had to take any measures to remediate any forced labour or child labour or to remediate any corresponding loss of income for vulnerable families.

If we identify any instances where we have caused or contributed to potential instances of modern slavery and human rights impacts, we will take immediate action to investigate and remediate the situation. Our approach will be guided by what is in the best interests of the affected individual and applicable law.

#### **TRAINING**

During the Reporting Period, Wolf engaged external counsel to provide mandatory tailored training to employees in the legal, supply chain and major projects departments as well as leaders from the field operations teams, human resources and IT departments. The training covered a range of topics including the meaning of and indicators of forced labour and child labour and principles and measures to prevent such practices. The training also reviewed certain key steps to prevent and reduce modern slavery risks in the supply chain, including an overview of Wolf's governance framework and policies.

In addition, all employees are required to review and agree to comply with the Code of Business Ethics and Supplier Code of Conduct as part of an annual policy acknowledgement process.

### **ASSESSING OUR EFFECTIVENESS**

During the Reporting Period, Wolf operationalised a number of the policies and procedures that it introduced in 2023 to prevent and reduce the risk that forced labour or child labour is used in our activities and supply chains. As Wolf is in the early stages of implementing these policies and procedures, it has not yet begun to formally assess their effectiveness. Wolf intends to continue to evaluate our reporting processes to ensure that our reporting complies with the requirements set out in the *Act*.

#### APPROVAL AND ATTESTATION

This Report was approved on March 25, 2025 pursuant to subparagraph 11(4)(b)(ii) of the *Act* by the board of directors of Wolf Midstream Canada GP Inc. in its capacity as general partner of Wolf Investments Canada LP, on its own behalf and as the entity that directly or indirectly controls Wolf Midstream Canada LP, Wolf Pipeline Inc., Wolf Carbon Solutions Inc. and Wolf NGL Inc.

I make this attestation in my capacity as President and CEO and as a director of the board of Wolf Midstream Canada GP Inc. for and on behalf of the board of Wolf Midstream Canada GP Inc.

Per:

Name: \ Robert Lock

Title: President & CEO, and Director,

Wolf Midstream Canada GP Inc.

Date: May 6, 2025