



A QUANTA SERVICES COMPANY



**2023
ENVIRONMENT,
SOCIAL &
GOVERNANCE
REPORT**

BUILDING YOUR ENERGY HIGHWAY SINCE 1957



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The preparation of the information included in this report, including workforce data and specific metrics, requires the use of estimates and assumptions. As a result, such information may be inaccurate, and there is no assurance that such information will not need to be revised in connection with our publication of any future reports. The information contained in this report has not been audited by any independent auditor and Arnett & Burgess does not currently seek external assurance of information contained within this report. This report is prepared as a reference tool, and A&B may elect to modify the format or discontinue publication of such reports at any time without notice.

THE PEOPLE BEHIND A&B

During 2023, Arnett & Burgess Energy Services employed over 600 employees. We are proud of being a strong family that help to look after one another, and our clients' safety.



THE PEOPLE BEHIND A&B



MESSAGE FROM OUR PRESIDENT

As I reflect on our transformational year in 2023, I am so proud of our excellent team and all that they do each day to make A&B a great place to work. Family is a solid pillar of our culture, and this past year has seen our family grow through both supporting and working with our sister companies at Quanta Services Canada. It is through these valuable relationships, working collaboratively, and sharing best practices that we continue to strive to be better, in our workplace, the communities where we work, and our world.

We have an incredible roster of dedicated and talented employees, many of whom have been with A&B for years, and even decades. In 2023, we celebrated 15 employees whose anniversaries ranged 5 – 45 years — extremely impressive accomplishments! I thank our entire family of A&B'ers for their hard work, perseverance, and dedication to ESG excellence.

Arnett & Burgess is committed to industry leading Environmental, Social, and Governance principles to pave the way for a more sustainable and responsible future. Embracing these principles will make a meaningful impact on our employees, our industry, and the world. Enjoy our report!

Mark



WHO WE ARE

Over 65 years strong, Arnett & Burgess Energy Services (A&B) provides pipeline and facility construction, heavy civil earthworks and reclamation, pipeline integrity, pipeline coating, and custom fabrication solutions to the energy industry based on the principles of quality, safety, and integrity.

A&B is a Canadian energy sector pioneer focused on evolution. Our highly skilled team has decades of progressive experience working in the Western Canadian Sedimentary Basin. We operate a large and well-maintained, fit-for-purpose fleet, have longstanding relationships with stakeholders in our areas of operation, and we govern our teams with unparalleled safety, integrity, quality, and project management systems.

We look forward to serving your energy infrastructure needs today, tomorrow and into the next century.



OUR CORE VALUES

Our vision is to competitively build Western Canada's energy highway while maintaining exceptional levels of engagement, safety, and quality.

Quality. Safety. Integrity. Our core values, and foundational pillars since 1957, cultivating trust and honesty and resulting in reliability, dependability, and our longevity.



ENVIRONMENT

Arnett & Burgess Energy Services commits to always leaving the land better than we found it. We work to minimize our impact on the environment by applying best practices and policies and by doing things right the first time.

We also:

- Follow prescribed preventative maintenance on all A&B owned heavy equipment, to ensure minimal impact to the environment, and to help reduce emissions
- Restrict fueling within 100 metres of any water course to ensure safe handling of fuel to vehicles and equipment to reduce the risk of contamination
- Practice best in class equipment optimization to ensure optimal asset lifecycle
- Use 90% recycled water in our custom constructed equipment wash facility, which contains all the soil and machine contaminants, which are then disposed of using an environmentally safe process
- We operate Tier 4 Final engine, which reduce emissions through exhaust after treatment technology
- Recycle used tires, steel, batteries, oil, and cardboard
- Ensure our subcontractors adhere to all contract specific environmental requirements
- Recycle all out-of-warranty IT equipment through CSI-EPC Canada to enhance sustainability efforts by leveraging environmentally friendly recycling services
- Provide Environmental Awareness Training to all new hires during on-boarding



ENVIRONMENT

RECLAMATION WORK

Upon completion of the construction and installation of approximately 103km of steel pipeline for a client in Central Alberta, A&B undertook 80km of thorough right-of-way final clean up to ensure that this land was just as we found it prior to arriving there 12 months earlier.

Our crew replaced clay, topsoil, and fencing and did so with meticulous execution as the pipeline was live and in service and standard operating procedure dictated that equipment could not run parallel within 5 metres of the live pipeline.

The crew also overcame several challenges to the project, including the project site receiving over 400mm of precipitation, which impacted 34 days of the project schedule and resulted in numerous



execution and scheduling challenges. There were 24 tracts of land club root contaminated that were scattered throughout the project which resulted in strict mitigation measures such as strategically placed equipment disinfecting stations, specific signage, inspections, and documentation. The

crew was also successful in completing multiple landowner requests and expectations that were added to the original project scope.

Careful planning by our crew, demonstrating resiliency and adapting to unforeseen circumstances contributed to A&B successfully completing this complex project.



Our team was proud to be a part of this reclamation project and demonstrated our commitment to environmental responsibility and restoring the land to its pre-construction state.

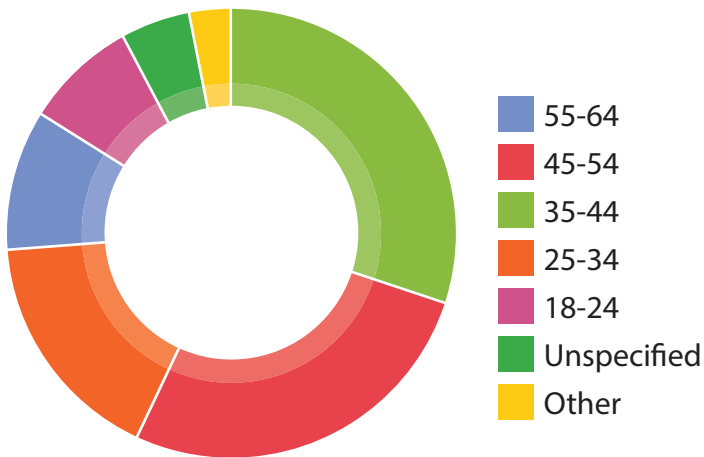
SOCIAL

OUR PEOPLE

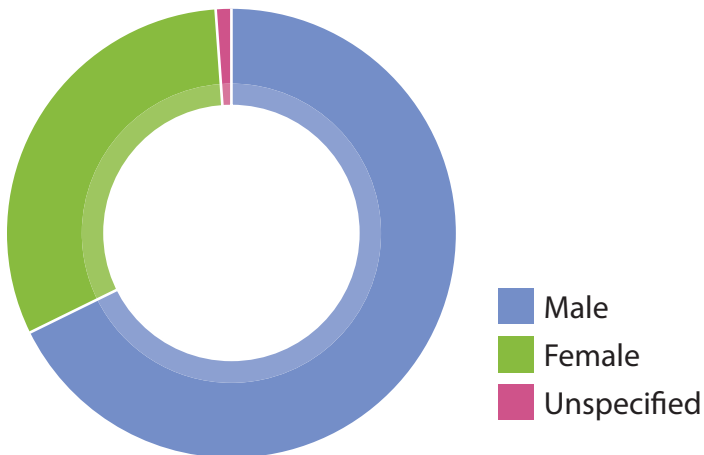
A&B employees are the collective sum of individual experiences, knowledge, perspectives, and unique abilities that represent a significant part of not only our culture, but our reputation and achievements.

Arnett & Burgess fosters a respectful, positive, and supportive workplace for our employees, and provides a safe and equitable work environment. We support our employees to leverage their vast, diverse experience to maximize their potential and grow in their careers, and we promote from within.

EMPLOYEE BREAKDOWN BY AGE



EMPLOYEE BREAKDOWN BY GENDER



A&B employed more than

600

people working together in 2023



Close to

500

people employed during peaking operations

SOCIAL

OUR PEOPLE

Our Outstanding Contributor recognition program helps our employees know that they are valued, and that their contributions directly apply to the success of their teams and the company overall. This contributes to a healthy work environment and is critical to employee retention.

We are so proud to have a roster of multigenerational families that are part of our workforce, including dads, sons, daughters, uncles, cousins, brothers, and sisters.

A&B uses an independent third-party compliance and risk management system. In 2022, we incorporated ESG questions within our process to assist in identifying local, diverse, and inclusive contractors in support of our commitment to providing job opportunities to Indigenous subcontractors and vendors in support of diversity initiatives.

A&B employees say,

"Working at Arnett & Burgess is like being part of a FAMILY."



SOCIAL

INDIGENOUS RELATIONSHIPS

In 2013, A&B created the Featherstone Mentorship Program, a formal employment mentorship training program to provide on-the-job mentorship, training, and hands-on energy infrastructure construction work experience for Indigenous community members interested in working in the energy industry.

The Featherstone Mentorship Program engages, develops, and employs Indigenous community members, and provides mentorship and hands-on training in entry level energy infrastructure construction activities. We are proactively growing capacity in our industry by building our next generation of energy infrastructure construction leaders.

The program provides tangible training and work opportunities to local people in areas where we work. This program is a key component to how we engage with Indigenous communities and other stakeholders on our projects.



**AS OF NOVEMBER 30, 2023
A&B SPENT**

\$5M

**on services with
businesses that disclosed
being Indigenous owned
and vendors with
Indigenous affiliations**



\$880,000

**for employees that
self-identified as Indigenous**

and since 2013, over

\$900,000

**for Featherstone
Mentorship Program
Mentee Wages**

SOCIAL

INDIGENOUS RELATIONSHIPS, CONTINUED

We are proud to have employment success stories representing 14 Métis Nations of Alberta and Indigenous communities, which have cumulatively achieved over tens of thousands of labour hours in A&B's Featherstone Mentorship Program. We actively work towards having these numbers increase and continue our efforts to heavily promote this meaningful program.

As A&B develops relationships with Indigenous communities, we find opportunities to introduce the Featherstone Mentorship Program as an entry to working together.

A&B values long-term relationships and partnerships with Indigenous communities and is committed to fostering both through actively engaging with Indigenous communities early and directly, to better understand and meet the communities' values, needs, and long-term development goals.



In 2023, we established a new role at A&B, Director of Operations & Indigenous Partnerships, demonstrating our commitment to prioritize Indigenous engagement in our operations. Continual building of meaningful partnerships and relationships with Indigenous communities throughout Canada and supporting new opportunities for co-creating economic and social value within Indigenous communities will contribute to sustainable and successful partnerships.

In 2023, we attended First Nations forums, exhibited at Indigenous community career fairs, employed Indigenous-owned subcontractors, and supported communities through organizing clothing drives as well as participated in local community events.

We are grateful for these opportunities and recognize the resulting impact to maintain effective, long-term mutually beneficial relationships and partnerships with Indigenous communities.



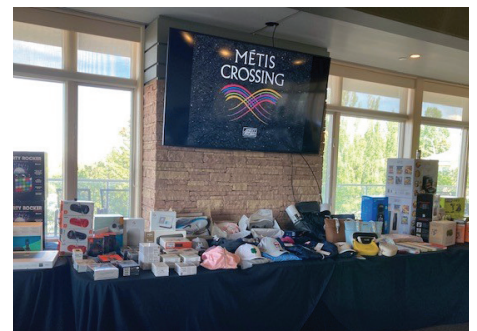
SOCIAL

COMMUNITY INVESTMENT



A&B as a company strives to be an engaged part of each community where we work, and we work towards creating positive and lasting relationships.

Giving back to communities with a focus on what is important to our employees, clients and suppliers, A&B's areas of giving include: Community, Education, Health & Safety, Sports & Recreation, and Business & Professional Associations.



\$64,000

supporting our areas of giving in 2023

GOVERNANCE



A&B believes that adherence to our corporate values and understanding environmental, social responsibility and governance is essential, and we are committed to continuous improvements to ensure our long-term sustainability.

Our key focus areas of governance include Integrity, Quality, Safety, Employee Training, and Policies and Procedures.

Quality and Safety are two of A&B's core values and are integral to the daily work completed by our team.

We recognize our employees' commitment in demonstrating these values through our Quality Observation (SOAR) Program and Safety Hours Award Program.

We continue to strive in providing our clients with exceptional project delivery, cost certainty, safe and quality project execution to build and maintain a safe energy highway.

GOVERNANCE

SAFETY

A&B is a COR Certified Contractor and has developed a comprehensive Safety Management System, which ensures safe execution of work by providing critical task and scope of work codes of practice and procedures. Comprehensive site HSE documentation, training and services further promote, develop and sustain a safe work culture while ensuring our legislated obligations as Prime Contractor are met.

Throughout the years, our Safety Management System (SMS) has evolved and is closely tied to our F.A.M.I.L.Y. initiative to ensure our people get home safely. Arnett & Burgess developed the **F.A.M.I.L.Y.** initiative around the belief, We are a Crew, We are a Team, We are a Family. This simple message, **F.A.M.I.L.Y.**, represents and encapsulates our **Core Value** for how we execute work safely. The initiative breaks down the **F.A.M.I.L.Y.** acronym to demonstrate our commitment to ensuring our workers get home safely.

Focus - On the task at hand, current conditions, and potential energy sources

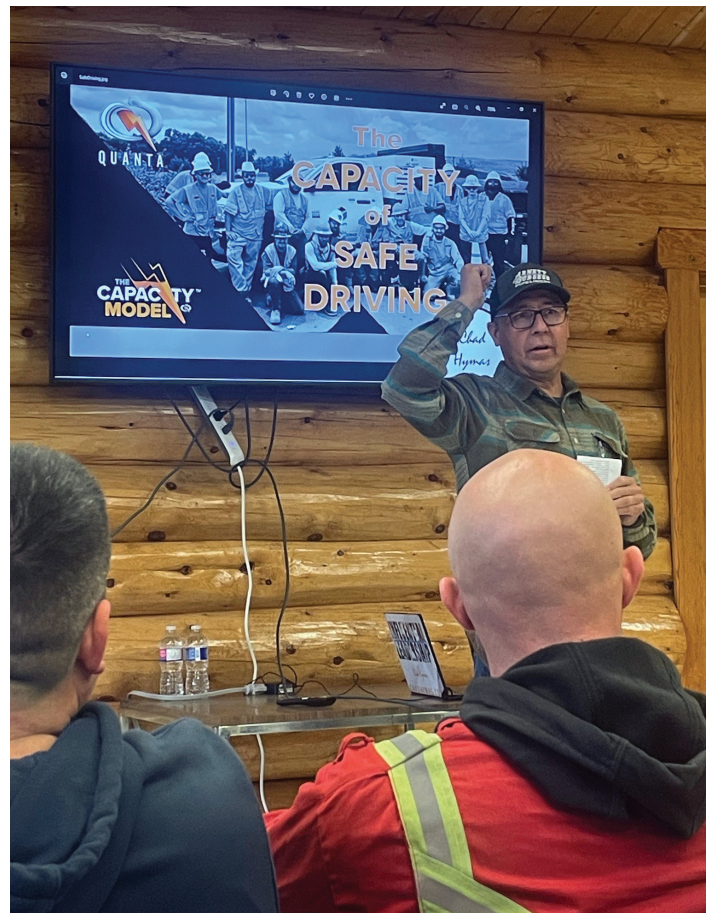
Assessment - Actively participate in hazard assessments – build capacity

Mentorship - Share your experience – coach – mentor those new to operations

Involvement - Be involved – have your say – safety will bring you home

Leadership - Every crew member and position can play a leadership role on site

You - When it comes to workplace safety, YOU are the most important, just ask your family



This evolution has also included incorporating the Energy Wheel – Hazard Based Principles into our Field Level Hazard Assessment process and documentation, ensuring, and reminding everyone to “take a second look” and keep safety at top of mind every day, both at work and at home. This speaks to who we are as a company and helps create the safety commitment, environment, and culture we have across our team.

CONTRACTOR MANAGEMENT:

Arnett & Burgess has a standardized Vendor and Subcontractor pre-qualification process based on the requirements of our Subcontractor Management Standard, which uses an independent third-party compliance and risk management system and an internal process to confirm compliance and alignment with safety culture expectations. We use an online system to deliver and track required Project Orientation and required Safety Training to ensure those subcontractors working on our behalf are qualified and share the same commitment to safety.

GOVERNANCE

QUALITY

We are committed to effective Quality Management throughout all construction processes. Providing our clients with a quality product is just good business.

Our quality management system is based on the principle of delivering “Right the First Time” and promoting a “Quality is not an act, it’s a habit” culture in every aspect of our operation.

- We plan the work, with quality in mind, dedicating people, and resources to meet our client’s quality requirements
- We do the work, in a methodical and structured way in accordance with our quality plan
- We check the work, to ensure that it meets the highest quality standards and client expectations, and
- We act to continuously improve our plans and processes, so our clients receive a finished product of the highest quality

**IN 2023,
A&B
EMPLOYEES
COMPLETED**

2,383
Training
Courses

Over a span of
3,883
hours

EMPLOYEE TRAINING

All A&B employees complete mandatory online training. These courses promote A&B’s purpose, values, and expectations, and foster a safety focused culture and a respectful workplace.

Required Arnett & Burgess Employee training includes:

- Company Orientation and required Certification by Role as outlined in S06 within A&B’s Safety Manual
- Project specific and Client-directed training and Site Orientations

- Safety training required for job and project specific tasks
- Code of Conduct
- Anti-Corruption Compliance
- Personal Information Systems Usage Policy

POLICIES & PROCEDURES

Arnett & Burgess creates policies and procedures designed to ensure that A&B operates ethically and in a professional manner while conducting business. Our policies and procedures are reviewed annually to ensure that they remain aligned with our core values to guide business operations.



GOVERNANCE

As a Certificate of Recognition (COR) Certified Contractor in three Western Provinces, Arnett & Burgess follows the Guidance and Procedures as outlined in the following SMS Documents

- Version 06 – Safety Management System Manual
- S14. JSA / SJP Field Manual

To enhance our governance, we have the following policies in force to affirm Corporate Commitment to the key elements of our Safety Management Standards:

- Commitment to Inclusion & Diversity
- Community Engagement Policy
- Company Safety Policy
- Company Standards Enforcement Policy
- Environment Policy
- Incident Reporting and Investigation Policy
- Indigenous Engagement Policy
- Maintenance Program Policy
- Personal Protective Equipment Policy
- Safety Meeting Policy
- Safety Training Policy
- Substance Abuse Policy
- Workplace Inspection Policy
- Workplace Violence & Harassment Policy



INDUSTRY ASSOCIATIONS & AFFILIATIONS

Alberta Construction Safety Association

APEGA

Association for Materials Protection and Performance (AMPP)

Calgary Women in Energy

Canadian Association of Pipeline & Utility Locating Contractors

Canadian Payroll Association

CFA Society Calgary

CFA Institute

Charter Financial Analyst Institute

Gas Processing Association of Canada

Lean Six Sigma Green Belt

Manitoba Heavy Construction Association

Métis Nation of Alberta

Métis Crossing

Project Management Institute

Rupertsland Institute

Saskatchewan Common Ground Alliance

Saskatchewan Construction Safety Association

Sedgewick Historical Society

Technical Safety BC

The Association of Science & Engineering

Technology Professionals of Alberta

Tribal Chiefs Employment & Training Services



**ARNETT
& BURGESS**
ENERGY SERVICES

A QUANTA SERVICES COMPANY



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