2023 ESG REPORT

Scovan

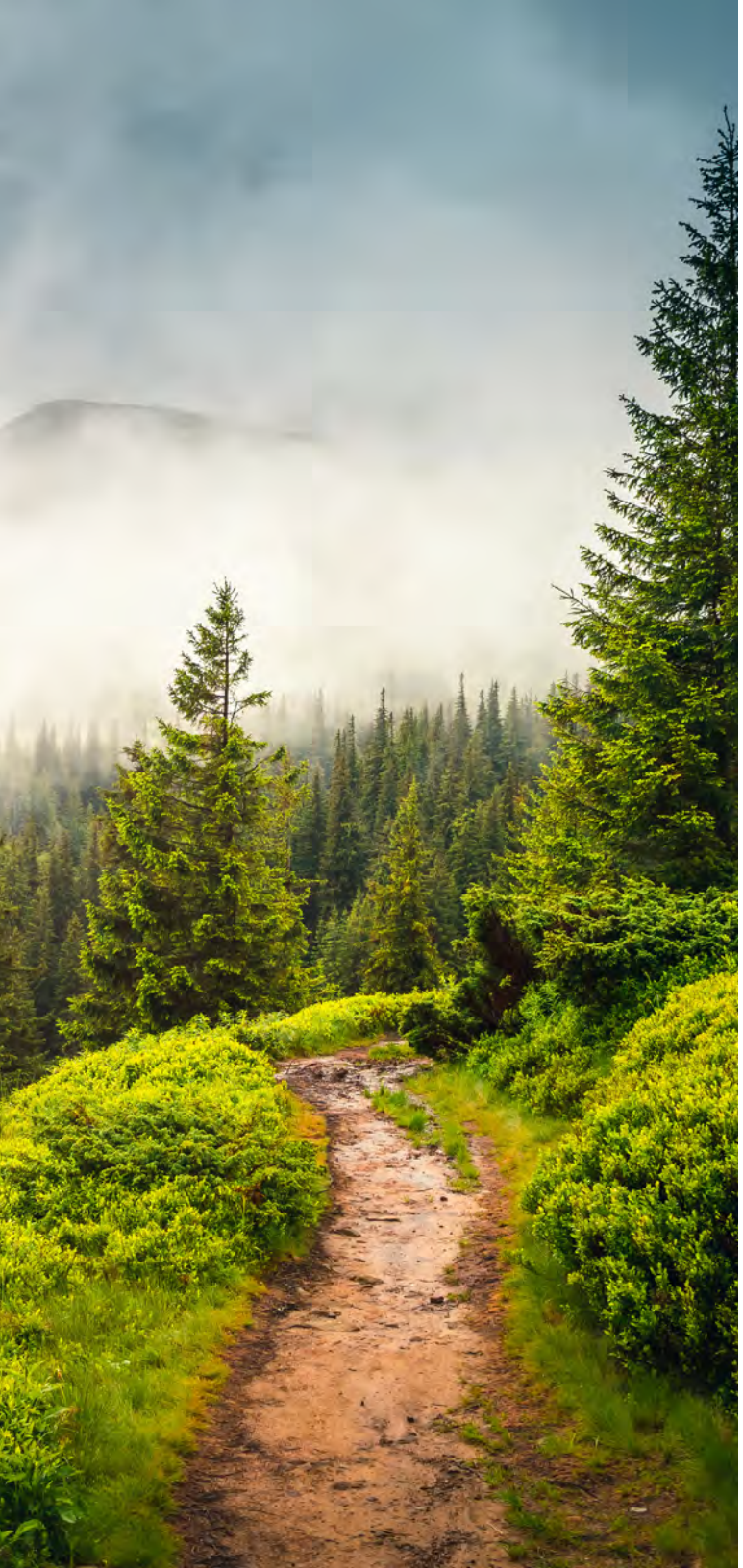
CONTENTS

INTRODUCTION

Reporting and Scope

As an official publication of Scovan Inc. (operating as Scovan), this report covers all of our affiliated companies and subsidiaries over which Scovan exercises management control as the operator. This report has been collaboratively developed with the valuable inputs of internal and external stakeholders. It has undergone review and approval processes by our Executive Leadership Team and Board to ensure its accuracy and reliability as a summary to our progress in 2022 and 2023 for our fiscal year ending September 30, 2023.

While our report does not formally align with a specific reporting standard, we have taken steps to ensure that the information presented is consistent with the UN's Sustainable Development Goals (SDGs) where possible.



LAND ACKNOWLEDGMENTS

Alberta

Scovan acknowledges and honours that Calgary is situated on the traditional territories of the Treaty 7 First Nations, which include the Blackfoot Confederacy, comprised of the Kainai, Piikani, and Siksika Nations, as well as the Tsuut'ina Nation and the Stoney Nakoda First Nations, including the Chiniki, Bearspaw, and Wesley Nations.

We recognize the enduring presence, contributions, and resilience of the Métis Nation of Alberta, specifically Regions 2 and 3, within the historical Northwest Métis territory, on these lands.

Scovan acknowledges that Ponoka is located within the traditional territory of the Treaty 6 Nations and the Métis Nation of Alberta. The Indigenous peoples who have lived on this land for thousands of years include the Cree, Blackfoot, Saulteaux, and Nakota Sioux.

We recognize that this land has been stewarded and cared for by Indigenous Peoples for centuries, and we honour the history, culture, and continued presence of these Nations.

British Columbia

Scovan acknowledges that Vancouver is located on the unceded land of the Coast Salish Peoples, including the Musqueam, Squamish, and Tsleil-Waututh Nations territories.

It is important to recognize and honour the rich history, culture, and valuable contributions of the Coast Salish Peoples, despite the ongoing impact of colonization, displacement, and discrimination.

LETTER FROM THE PRESIDENT

I am honoured and privileged to be able to address you as the President and Co-Founder of Scovan and to share our unwavering commitment to making a profound impact on the world through our corporate strategies and daily business practices. As we navigate the challenges of our time, it is clear that businesses must take a leading role in shaping a sustainable future. Scovan's dedication to this responsibility is resolute, and we are excited to embark on this transformative journey together.

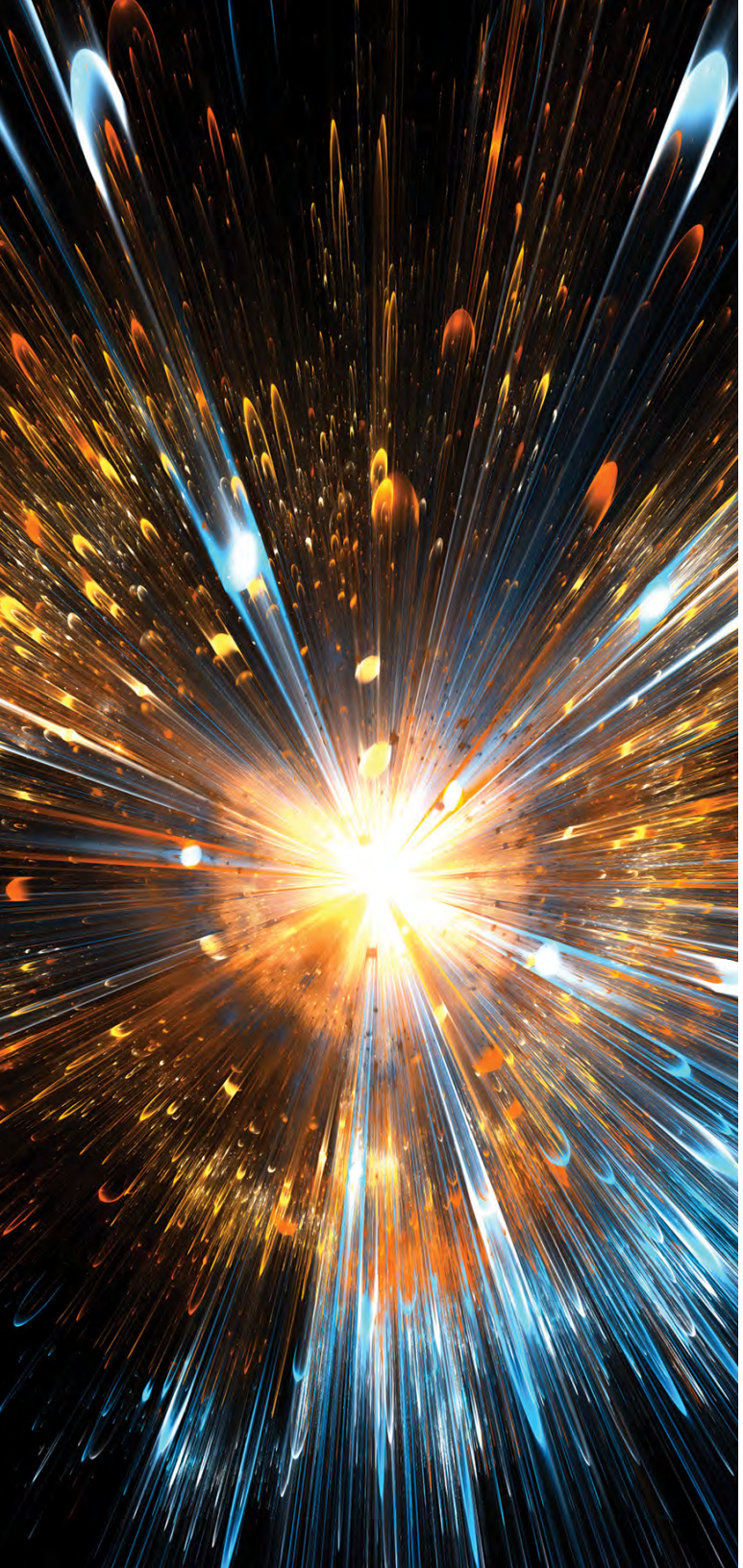
Environmental stewardship lies at the core of our mission, A NEW ENERGY. We recognize the urgent need to preserve our planet's delicate ecosystems, and we are taking bold steps to minimize our carbon footprint, conserve resources, and champion eco-friendly practices across all aspects of our operations while balancing the needs of society for low-cost and reliable energy. Through innovation and collaboration, we are determined to not only meet, but eventually exceed, our sustainability targets. Our aim is to serve as a role model for our industry, demonstrating that economic success can go hand-in-hand with environmental preservation.

Furthermore, our commitment to social and corporate governance reflects our belief that business success should uplift communities and empower individuals. We are dedicated to fostering diversity and inclusion within our workforce, ensuring fair labor practices throughout our supply chains, and actively engaging in philanthropic endeavours that support our communities and address pressing social challenges. By setting rigorous ethical standards and transparent governance practices, we aim to build trust among our stakeholders and contribute positively to society. We don't claim to be perfect, but we are committed to forming long-term win-win partnerships you can count on, every time.

In closing, I am incredibly proud of the strides we have taken and our team at Scovan, but our journey has just begun. Together we can reshape our world for the better, leaving a lasting legacy of environmental vitality, social equity, and responsible corporate governance. I invite you to all join us on this transformative path as we work towards a brighter and more sustainable future.

Sincerely,

Donovan Nielsen
President, Scovan



PURPOSE AND VALUES

Our Purpose is A New Energy

Scovan is a cutting-edge EPFC firm that provides innovative, sustainable services for energy sector projects. Our proven track record, unique approach and turnkey offerings allow us to provide end-to-end solutions, from piloting to full-scale commercial development. Combining past experience, present opportunities, and future vision, we create long-term value for clients. Scovan is your trusted partner, providing you with the confidence and certainty needed for successful developments — **A New Energy**.

A NEW ENERGY

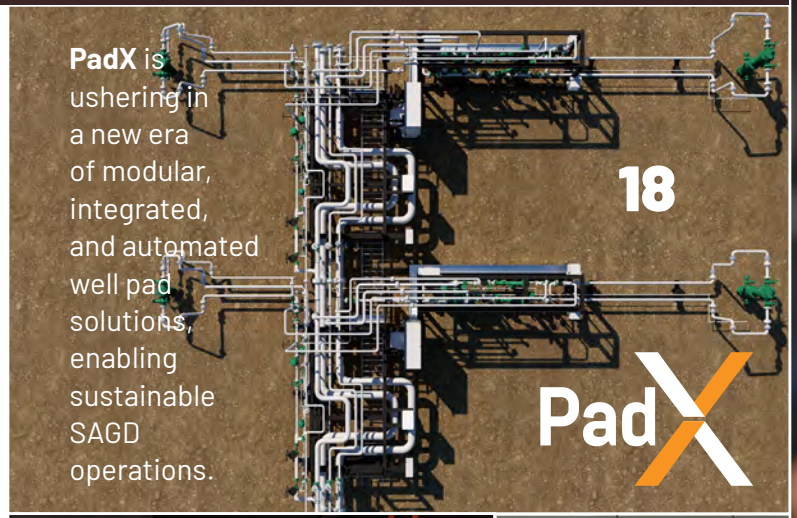
> Figure it out.

Disruption for the > Better.

Good Vibes. > Great Energy.

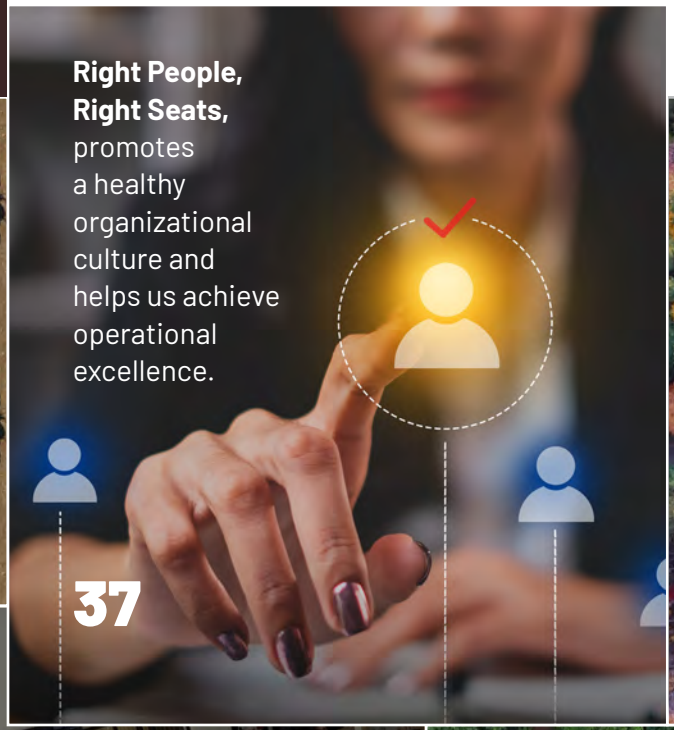
Work > Hard.

SPOTLIGHTS



PadX is ushering in a new era of modular, integrated, and automated well pad solutions, enabling sustainable SAGD operations.

18



Right People, Right Seats, promotes a healthy organizational culture and helps us achieve operational excellence.

37

GOVERNANCE

Goal #1
Deliver value to our team through transparency, accountability, ethical conduct, diversity and inclusion and respect in the workplace.

34

30

International Women's Day

SOCIAL

Social Goal #1
Promote employee physical and mental health and safety.

Social Goal #2
Support local Indigenous communities to create continued respect and trust.

24

17

HipVap will be essential to achieving net-zero emissions in the Oil Sands

HIPVAP TECHNOLOGY

ENVIRONMENTAL

8

Goal #1
Increase percentage of revenue from projects that contribute to reducing GHGs (Carbon Capture Utilization & Storage, Renewable Natural Gas, Geothermal, Lithium)

Goal #2
Implement Lean Manufacturing approach for PadX

Goal #3
Plant 100,000 verified trees by 2027

ENVIRONMENTAL

Goal #1:

Achieve 20% of revenue from projects that contribute to reducing GHGs (Carbon Capture Utilization & Storage, Renewable Natural Gas, Geothermal, Lithium) by September 30, 2026.

Year End Result: We are on track to meet our target for 2026 and have successfully increased 2023 annual revenues from projects that contribute to reducing GHGs. Scovan will continue to support carbon reduction and renewable projects.

Goal #2:

Implement Lean Manufacturing approach for PadX to reduce waste and increase efficiency.

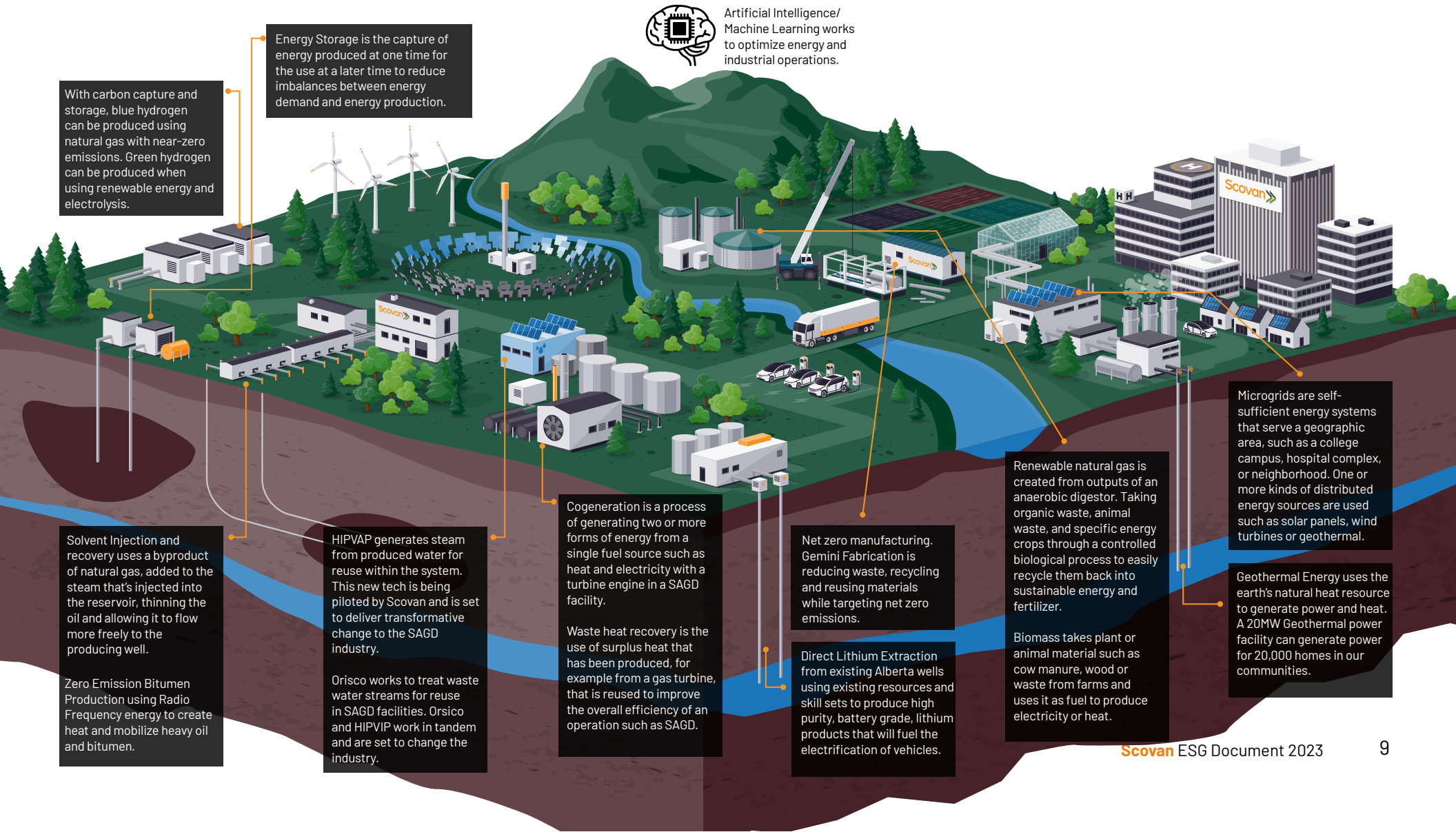
Year End Result: We have created and taken the first steps of our roadmap to achieve our PadX lean manufacturing future state. We will continue working towards this goal in 2024.

Goal #3:

For every PadX module sold, plant and track trees with veritree's verified program, with a goal of 100,000 trees by 2027.

Year End Result: We are on track to meet our environmental goal by 2027.

SCOVAN: BUILDING A CIRCULAR ECONOMY



INNOVATIVE PROJECTS – RENEWABLE AND CLEAN TECH

RNG:

Matter Global Project

Matter Global, a leading project and technology development company, has plans to launch a groundbreaking renewable natural gas (RNG) project in North America. This large-scale dry anaerobic digester project, located in Clayhurst, BC, is the first of its kind in North America and one of the biggest non-landfill RNG projects established in Canada.

What sets this project apart is the unique partnership between technology, farming, and engineering that delivers a new business approach for clean energy in Canada.

The flagship plant in Clayhurst, BC, will be instrumental in meeting the growing demand for RNG in the Canadian marketplace. RNG is a sustainable and environmentally friendly form of energy produced from organic waste materials through anaerobic digestion. It is a clean energy source that can be used as a substitute for fossil natural gas in various applications, including transportation, heating, and industrial processes, thereby reducing greenhouse gas emissions and mitigating climate change.

The Clayhurst RNG project is significant in terms of scale and uniqueness and is expected to considerably impact climate change by reducing greenhouse gas emissions. With the success of this flagship project, Matter Global and its partners aim to develop several similar projects in the future to meet the growing demand for RNG in Canada.

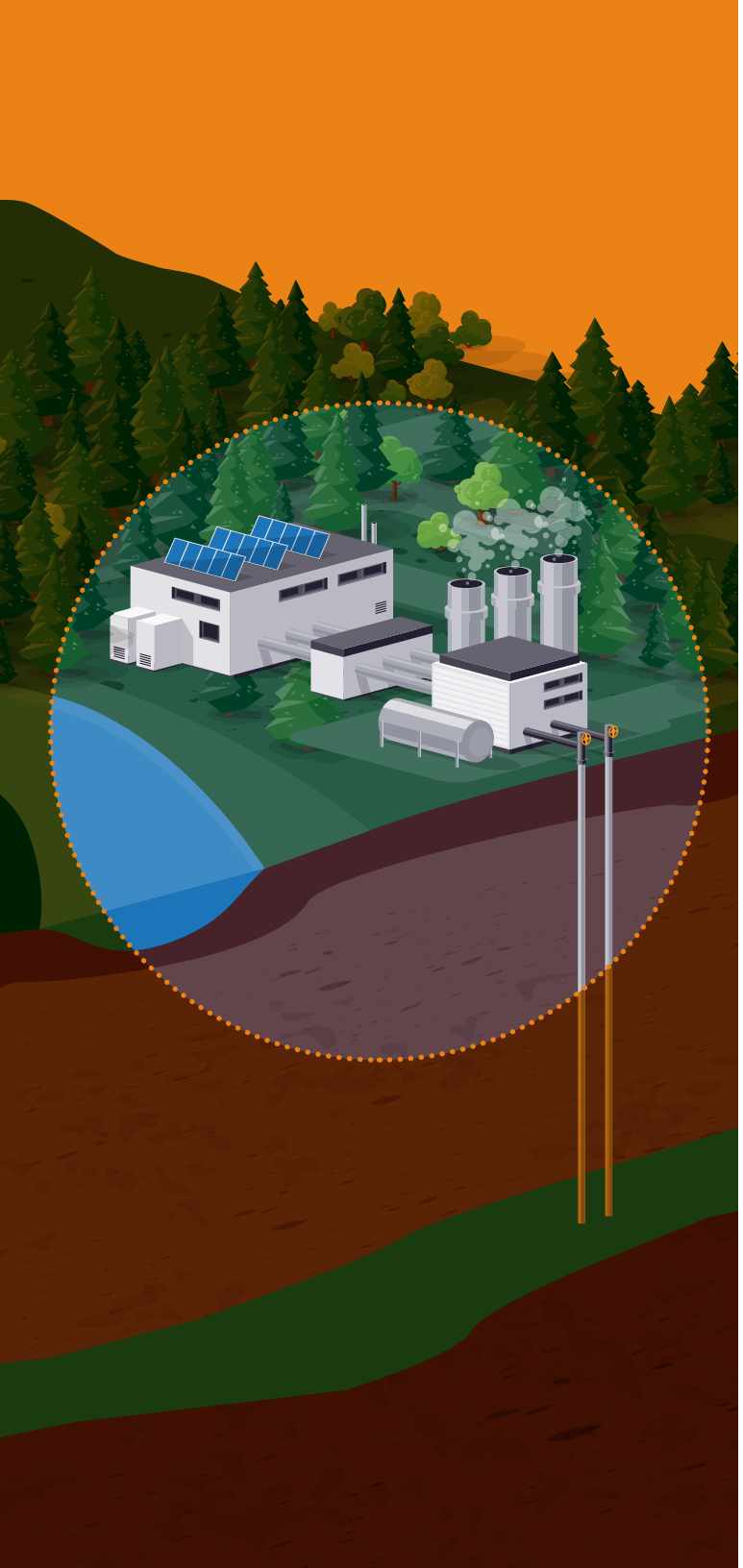
Geothermal:

DEEP Earth Energy Project

Leading the charge in geothermal power in Canada is DEEP Earth Energy, a pioneering corporation that has successfully completed the country's first large-volume production and injection test on its 100% owned geothermal power project. Leveraging Canada's world-class oil & gas technology and expertise, this landmark field test solidifies DEEP's position as a leader in the emerging clean energy industry and affirms its capability to construct its first commercial geothermal power facility with a capacity of over 25MW.

DEEP focuses on developing geothermal resources in Southern Saskatchewan. The company has secured a power purchase agreement with SaskPower and is exploring direct industrial heating opportunities. The innovative work of DEEP's team has garnered recognition nationwide and was honoured with the 2022 Canada's Clean50 Award in Renewable Energy.

Developing geothermal resources to meet Canada's growing energy needs with sustainable, renewable energy and its ongoing efforts to establish the first geothermal plant in Canada will significantly contribute to the country's progress in renewable energy. DEEP's ambitious plan to capture 100MW of baseload power through five 20MW facilities will diversify Canada's energy portfolio and support regional economic development in rural areas of Saskatchewan while utilizing the skills of the oil and gas workforce in Western Canada.



Borealis Geothermal Project

Borealis Geothermal has been instrumental in advancing geothermal projects in the Northwest Territories, British Columbia, and Alberta while advocating for regulatory change and removing legal roadblocks.

At the heart of Borealis Geothermal's efforts is its flagship project, an industrial decarbonization initiative to replace natural gas with geothermal heat. This project has received market validation through Shell Canada's participation in its global Powering Progress strategy, affirming the potential of geothermal energy as a viable alternative for industrial heating and cooling.

Borealis Geothermal emphasizes that geothermal energy is a renewable source that can provide carbon-free heat, leading to process options that lower a facility's carbon footprint. By developing Ideal Customer Profiles, Borealis Geothermal identifies the industrial processes located near geothermal hot spots to convert to geothermal energy, making it painless for operators to harness geothermal energy as an alternative to fossil fuels.

Founded in 2007, Borealis Geothermal has a longstanding history and experience working on projects in various geological settings in Canada's geothermal energy industry. Borealis uniquely understands how to integrate geothermal energy into industrial processes to mitigate the impact of carbon prices on future profits. Borealis Geothermal's collaboration with Scovan aims to encourage other industries to co-locate at geothermal industrial heat hubs in order to take advantage of "cascaded" or "shared" geothermal heat, further promoting the utilization of geothermal energy for industrial heating and cooling in Canada.

Critical Minerals:

E3 Lithium Project

Scovan completed a project for E3 Lithium, Canada's leading lithium resource holder. E3 Lithium is focused on developing its resources, the largest in Canada and significant on a global scale, and advancing its brines to battery flowsheet, which includes Direct Lithium Extraction (DLE) technology. E3 Lithium's DLE technology is a modified version of ion exchange, a process designed to extract elements from liquids. The ion exchange material is highly selective toward lithium and allows for efficient extraction of lithium ions from brine. The process simultaneously rejects contaminants, resulting in a high-purity lithium concentrate that can be refined into battery-grade products. Compared to traditional methods for mining and extracting lithium, DLE technology uses significantly less land, with the company estimating it will require less than three percent of the land utilized by evaporative ponds or open pit mines. Moreover, DLE is quicker, with lithium extraction taking minutes compared to months or years in evaporative ponds. Scovan completed the engineering, construction and operation of a field-tested pilot plant which operated in the summer and fall of 2023. The field pilot plant, which tested DLE technology at near commercial scale in real world operating conditions, surpassed all Key Performance Indicators, including lithium recovery, lithium grade in the product stream and flow rate ratio. The success of the pilot contributes to de-risking E3 Lithium's ability to commercialize its vast resource, which has the potential to deliver up to 150,000 tonnes of battery-grade lithium per year, enough for approximately 2.2M EVs.

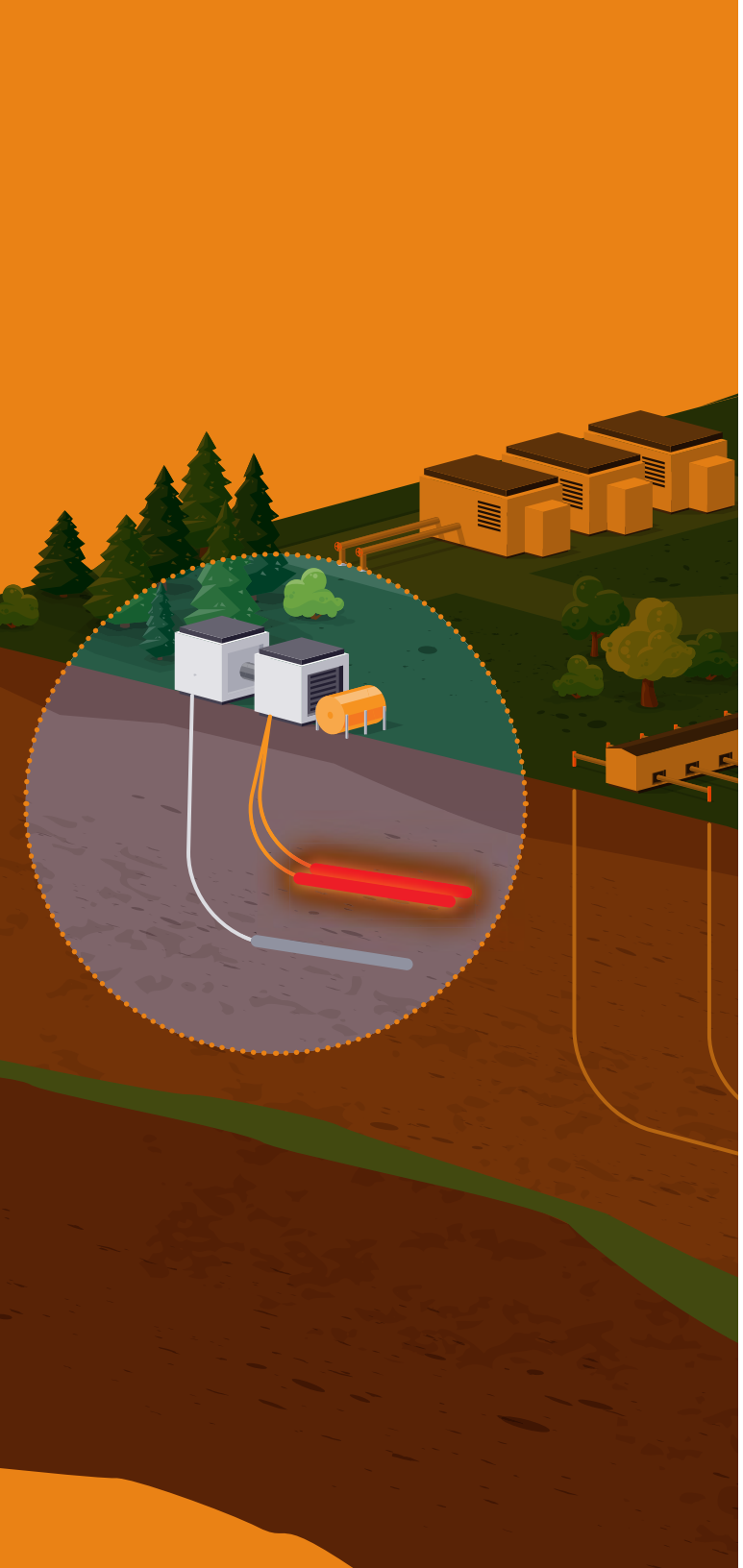
Solar:

SolarSteam Project

SolarSteam Inc., a Calgary-based company with a vision of developing the lowest-priced renewable heat, offers a transformative product that is data-driven, sustainable, net-zero focused and aligns with global parameters for ESG initiatives.

SolarSteam provides an innovative solution to address the global demand for steam and hot water. By leveraging solar radiation, SolarSteam offers a cost-effective, environmentally sustainable alternative to traditional steam generation methods. With the potential to reduce energy costs by up to 40% and significantly lower CO2 emissions, SolarSteam's system utilizes solar collectors to concentrate sunlight and produce steam. The system's transparent membrane enclosure maximizes efficiency by keeping the collectors clean, reducing capital costs by using lightweight materials that don't require expensive foundations and controls. SolarSteam's generators can seamlessly integrate with existing boilers and utilize boiler-feed water to provide direct hot water and steam generation.

Scovan is collaborating with SolarSteam through the commercialization process and field system installation in Alberta. This deployment serves as a tangible demonstration of our commitment to supporting global sustainability initiatives while allowing our early adopters to meet their ESG objectives.



Electrification in SAGD:

Acceleware RF XL Pilot Project

In the face of climate change and other environmental challenges, the global energy landscape is rapidly shifting towards clean fuel sources. With a growing focus on environmental responsibility, economic viability, and cutting-edge technology, the production of heavy oil and oil sands is witnessing a transformation aimed at both combustion and non-combustion applications.

Global markets are actively seeking solutions to eliminate greenhouse gas (GHG) emissions linked to hydrocarbon production, whether for fossil fuels or innovative by-products like petrochemical feedstock, carbon fibre, and hydrogen. Acceleware's RF XL enhanced oil recovery (EOR) technology, powered by electrification, presents a promising pathway to achieve this goal. RF XL is projected to enable heavy oil production with minimal to zero-GHG emissions while offering significant cost advantages compared to conventional steam-assisted gravity drainage (SAGD) methods when integrated with a renewable energy source. RF XL's design eliminates the need for external water, expedites production, and reduces surface footprint requirements.

The RF XL system uses an all-electric method designed for rapid deployment to enhance bitumen and heavy-oil recovery. It consists of three components: (1) an electromagnetic (EM) energy converter called the Clean Tech Inverter (CTI), (2) a waveguide linking the converter and radiator, and (3) two radiator lines. The converter emits an RF signal transmitted through the waveguide's coaxial lines to two RF XL radiators positioned above the producing well in the pay zone. The RF signal travels through the oil reservoir heating the water that is already there. The heated water then heats up the rock and oil which reduces the viscosity of the oil and increases production rates. This setup allows for quick and effective operation, enhancing oil recovery.

OIL SANDS LOW CARBON SOLUTIONS

Traditional thermal operations rely on continuous or multi-day cyclic steam delivery for efficient reservoir heating. Steam generation and water treatment constitute a significant portion of initial capital costs, making intermittent steam operations impractical and costly. The need for proportional upsizing to accommodate intermittent heat sources like solar or wind would further escalate upfront capital expenses and environmental impact. Moreover, frequent equipment start-stop cycles would involve safety risks, labour intensiveness, and higher maintenance costs.

Scovan collaborates with oil sands producers to curb emissions through carbon capture, enhanced well pad technologies via the PadX program, and innovative water treatment solutions like HipVap and ORSIL. These technologies have the potential to transform heavy oil resources into valuable products, positioning Canada as a leader in clean energy.

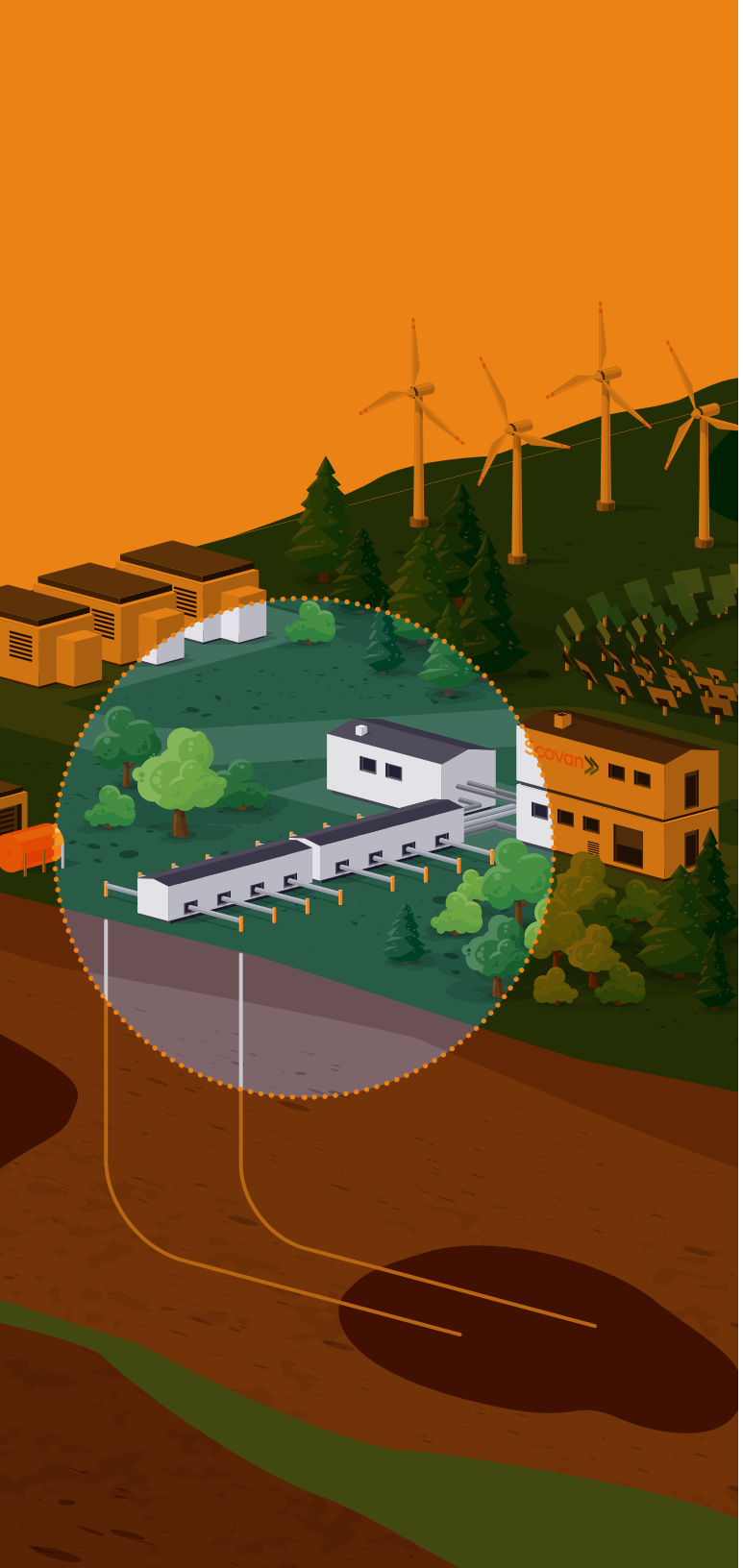
We play a pivotal role in lowering the carbon intensity of Canadian energy production through our Carbon Capture Utilization and Storage (CCUS) solutions. Along with broader decarbonization initiatives, CCUS is a crucial tool for companies, driven by the economics of carbon, burgeoning market demand for sustainable energy solutions, and an overarching focus on ESG principles. Scovan supports its clients from early-stage Carbon Capture feasibility, FEED Studies and technology selection, to full turnkey project execution.

Scovan is committed to advancing technologies that foster positive environmental and economic outcomes while reinforcing the oil sand's pursuit of net-zero emissions.

HIPVAP TECHNOLOGY

HIPVAP

HipVap brings game-changing opportunities to industry through its innovative produced water steam generation system that is suited for CPF and remote steam applications. HipVap's commercial demonstration project is a single production-scale indirect-fired steam generator that leverages innovative produced water steam generation technology, and can be combined with our ORSIL disposal water treatment system. The demonstration unit is installed and operated at a Steam Assisted Gravity Drainage (SAGD) facility in Bonnyville, Alberta. By commercializing HipVap technology, Scovan aims to reduce water consumption, water disposal rates, direct greenhouse gas (GHG) emissions, land use, and the cost per barrel of oil produced. HipVap eliminates the need for conventional SAGD water treatment processes for produced water, including produced water-cooling systems used to generate steam from produced water. Moreover, HipVap can reduce GHGs and the total land footprint of energy facilities. As the oil sands industry is committed to achieving net-zero emissions and improving its ESG outlook, HipVap will be essential to these initiatives. HipVap offers a promising solution for both greenfield and brownfield in-situ facilities, helping to improve metrics and ESG considerations while enabling more economically competitive SAGD operations that can generate royalties sooner.



PADX

Scovan's journey of developing PadX started with a well pad design that has been refined and field-tested over the past decade. By fostering collaboration through the PadX Partnership, Scovan has developed a modular, templated well pad design that can be used across multiple oil sands reservoirs and assets. PadX was strategically developed to create a sustainable and reliable design that reduces carbon footprint and GHGs through greater efficiency. Our design features less steel and standard Alberta transport-sized skids to reduce the facilities' footprint and emissions associated with shipping and installing modules at the project site. The PadX program has achieved a 45% reduction in structural steel and a 34% reduction in field construction timelines compared to legacy projects, and we are determined to continue our efforts. Besides cost savings, our program offers various advantages, such as appropriately sized headers for the industry, enhanced automation, increased agility, advanced control, and optimization readiness. Ultimately, we hope to usher in a new era of modular, integrated, and automated well pad solutions, enabling flexible and sustainable SAGD operations.

ORSIL

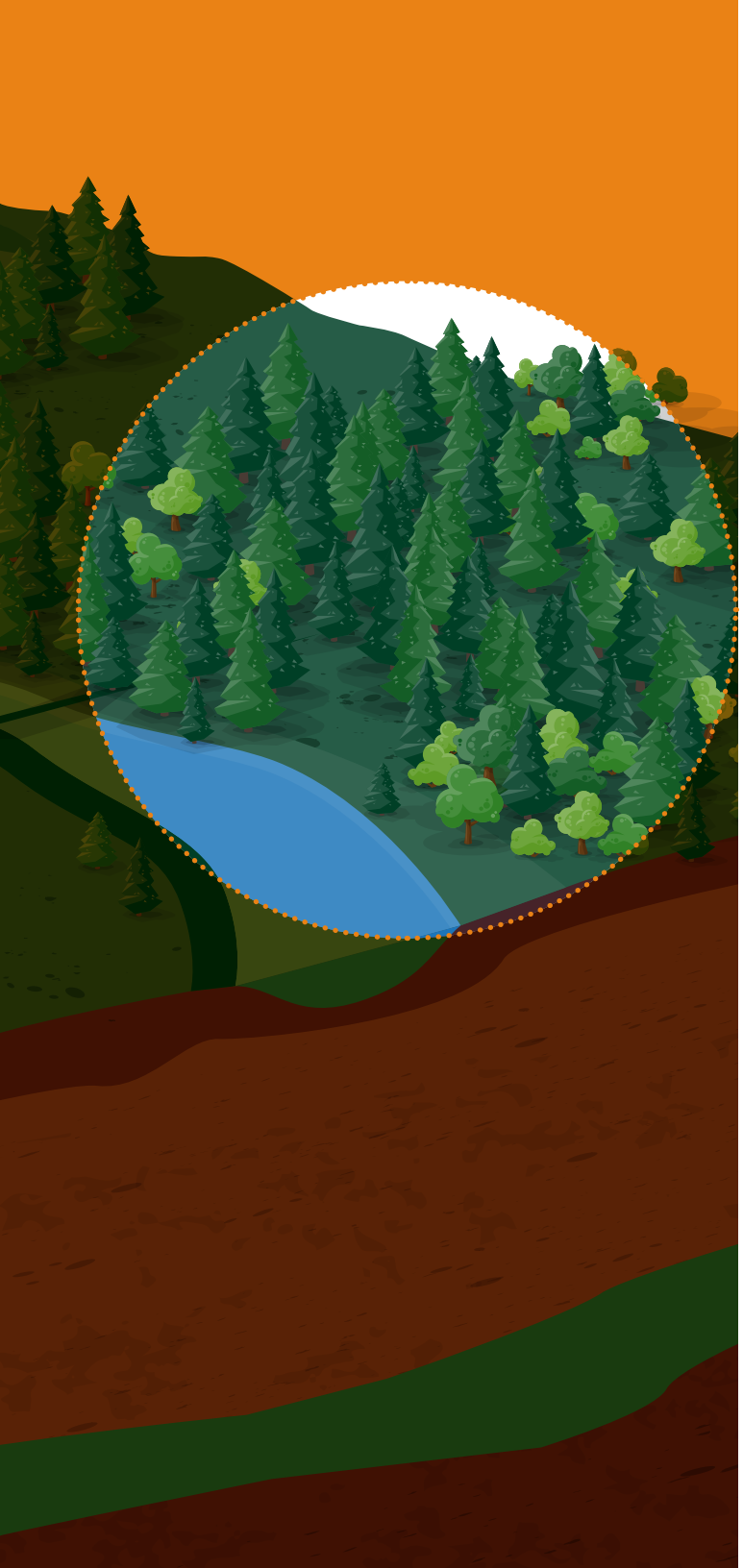
ORSIL

Scovan remains committed to advancing technologies that mitigate environmental impact and, as such, has continued to develop ORSIL to more effectively manage the waste streams generated in SAGD facilities. ORSIL offers a more sustainable and cost-effective solution by transforming waste streams that currently require off-site transportation into a safe and manageable form that can be disposed of on-site through wells. This technology significantly reduces the adverse effects associated with truck traffic, including emissions, safety concerns, and operational expenses.

ORSIL is a patent-pending technology that utilizes a multi-step process to effectively eliminate silica and organic matter from wastewater streams. This process creates a solid phase suitable for landfill (Class II) and an aqueous phase that can be deep well injected (Class 1b). Through pilot-scale testing, the ORSIL process has been demonstrated to reduce silica concentrations and Total Suspended Solids (TSS) in the aqueous phase. The ORSIL process has successfully treated evaporator blowdown, Once Through Steam Generator (OTSG) blowdown, Indirect Fired Steam Generator (IFSG) blowdown, and raw produced water from various SAGD operations in the Fort McMurray region.

Scovan has a self-contained pilot unit enclosed in an 8'x40' sea can unit. Clients seeking to test the efficacy of ORSIL on their wastewater streams or fine-tune the chemical composition for their unique water requirements can utilize our mobile pilot unit. Scovan is currently in the preliminary stages of planning a full-scale commercial product offering.

ORSIL will allow SAGD operators in Alberta to push the limit on steam generation technology without worrying about managing the resultant waste stream. ORSIL™ has the potential to provide a more environmentally friendly and cost-effective solution than current SAGD wastewater disposal methods.



VERITREE

veritree is a platform that leverages data-driven solutions to facilitate the planting and reporting of verified trees. This platform forges the connection between nature-based solutions and mission-driven corporations poised to lead the charge toward a restorative economy. With each sale of PadX, a corresponding investment is made in veritree's verified tree program, allowing the platform to continue driving sustainable practices.

We are committed to planting 4,000 trees for every 12 well pair PadX well pad we build. Our goal is to plant 100,000 verified trees by 2027.

https://scovan.veritree.com/

LEAN MANUFACTURING

Lean manufacturing is a systematic method for minimizing waste within a manufacturing system while staying within certain control parameters such as productivity and quality.

Careful planning is carried out to ensure that activities are streamlined from the beginning to the end of our production cycles. Functional services are strategically located at the center of all operations, facilitating the smooth execution of all tasks from start to finish. We collaborate with design teams upfront to ensure optimal constructability during the product design phase. We're able to construct modules using exact specifications, taking into account the direction and heights at which equipment will be positioned on-site. By doing so, we enhance safety and reduce logistical costs, boosting our client's ROI in turn.

We use a bottom-up approach, ensuring that every aspect of our operations adheres to the highest standards of excellence. At the heart of lean philosophy is waste elimination. We place a strong emphasis on engaging our employees and empowering them to assume clear roles and responsibilities that align with our waste elimination objectives.

Just-in-Time Production

We leverage our expertise by utilizing an advanced inventory management system for tools and equipment, using existing client relationships to pre-load our labour force, enabling efficient production replication, and pre-planning of work to create a steady "FLOW" for enhanced efficiency and productivity.

AI/ML

Scovan is actively leveraging the power of Artificial Intelligence (AI) and Machine Learning (ML) to accelerate project schedules, enhance quality, and shape the future of digital projects. With a 10 year commitment to digitization, we have dedicated resources to spearhead our advancements in this technology. One of our key initiatives involves leveraging AI to create structured databases and automate the generation of digital twins by scanning our Piping and Instrumentation Diagrams (P&IDs). The immediate benefit is enhanced efficiency and automation of engineering deliverables, while the long-term vision is to create a digital platform that enables planning, measurement, prediction, and optimization of performance to reduce emissions and increase profitability. Scovan has collaborated closely with Drishya AI to co-develop our innovative solutions. We are working to harness advanced AI and ML technologies in two specific ways. Firstly, through ARTISAN, an AI-enabled one-stop Engineering Digitization solution for both brownfield and greenfield facilities. ARTISAN is employed at the project's inception or on brownfield projects to establish a baseline and digitize drawings for engineering, fabrication, construction, and operations, with the ultimate goal of developing a comprehensive digital twin of the design. This approach ensures seamless future modifications and faster deployments, improving operational efficiency, sustainability, and profitability. The second advanced AI/ML application is BRAINS, a secure cloud-based enablement application for industrial solutions. BRAINS empowers brownfield and greenfield equipment to be S4-Ready, with self-operation, self-monitoring, self-diagnosis, and self-optimization capabilities. Integrating BRAINS reduces overall operating overhead and optimizes performance. The unique partnership with PadX, including organizations from design through construction to operation, drives the collaborative effort needed to identify transformative change and provides the necessary control to bring these changes to fruition.

DIGITIZATION

Digitization can drive increased efficiency across all aspects of an organization's workflow while also helping achieve goals in ESG areas. Embracing digital technologies can reduce or eliminate the "3 D's" - Dangerous, Dull, and Dirty - in the workplace, leading to higher satisfaction and productivity.

We view digitalization as a mindset and way of life rather than a singular process. We believe a more digital environment leads to higher quality and faster decision-making, increasing transparency, collaboration, and efficiency. Our focus is on innovation and implementing new technologies to improve safety, productivity, reliability, and quality of work. As digital technologies continue to evolve, it is imperative to foster a growth-oriented and innovative culture, not just to keep up, but to lead the way.

Scovan's digitization plan includes 3D intelligent models, automation, project controls, digital control centers, and developing technology. The benefits of implementing digital strategies can be significant, both tangibly - such as increased efficiency, productivity, and margins - and intangibly - such as improved culture, satisfaction, and mindset.

SOCIAL

Goal #1: Promote employee physical and mental health and safety by maintaining an 80% Positive Behavioral Based Observations average for our team and Employee Net Promoter Score of >25% through the year.

Year End Result: We maintained an average 79% Positive Behavioral Based Observations and 44.25% Net Promoter Score through the year. Scovan will continue to place emphasis on employee physical and mental health and safety.

Goal #2: Support local Indigenous communities to create continued respect and trust through two formal engagements focused on recruitment and community support.

Year End Result: We successfully attended and worked with Maskwacis Employment Centre Society and their bi-annual career fair.

HEALTH AND SAFETY

Physical

Developing and implementing an effective safety management system is a key component of Scovan's ESG strategy. To achieve sustainable success, it is important to regularly evaluate and refine our safety systems. This requires the active involvement of our workers, subcontractors, and other stakeholders, as we aim to identify areas for improvement and implement effective programs for the long term.

We recognize the importance of prioritizing the safety and well-being of our employees. Scovan designs and executes robust directives and works closely with our staff to ensure our practices and procedures are practical, relevant, accurate, and continuously updated.

Our process for managing health and safety systems is centred on an ongoing collaboration with all stakeholders as we seek to identify and address potential risks and hazards. We are committed to creating a safe and healthy work environment and believe that promoting a culture of safety and continuous improvement can create a successful future for our organization and its employees. Scovan's process involves:

1. Fostering an open and supportive dialogue.
2. Creating systems for collaborative communication, ongoing improvement and preventative measures.
3. Adhering to and surpassing legislation.
4. Benchmarking against the industry.
5. Analyzing results and optimizing current processes.

As a provider of EPFC services, Scovan is home to a diverse group of employees from various backgrounds, including engineers, office workers, and fabrication and field teams. While our fabrication and field teams are well-versed in health and safety systems, we also recognize the need to drive change within our engineering teams. To this end, Scovan's Calgary office personnel regularly visit our fabrication facility in Ponoka, Alberta. These trips provide our engineers with a firsthand look at the challenges and risks our fabrication teams face. In conjunction with weekly analyses, monthly early indicator reporting, and recognition programs, these visits help us to place our focus on eliminating hazards before they can impact our teams. We also engage in research and benchmarking against other industry leaders and learn from competitor challenges to improve our health and safety practices, ensuring that everyone returns home healthy and safe at the end of the day.

3 GOOD HEALTH AND WELL-BEING

Avetta MEMBER

ISNETWORLD ISN MEMBER CONTRACTOR

WORKPLACE SAFETY COR CERTIFICATE OF RECOGNITION

ASME

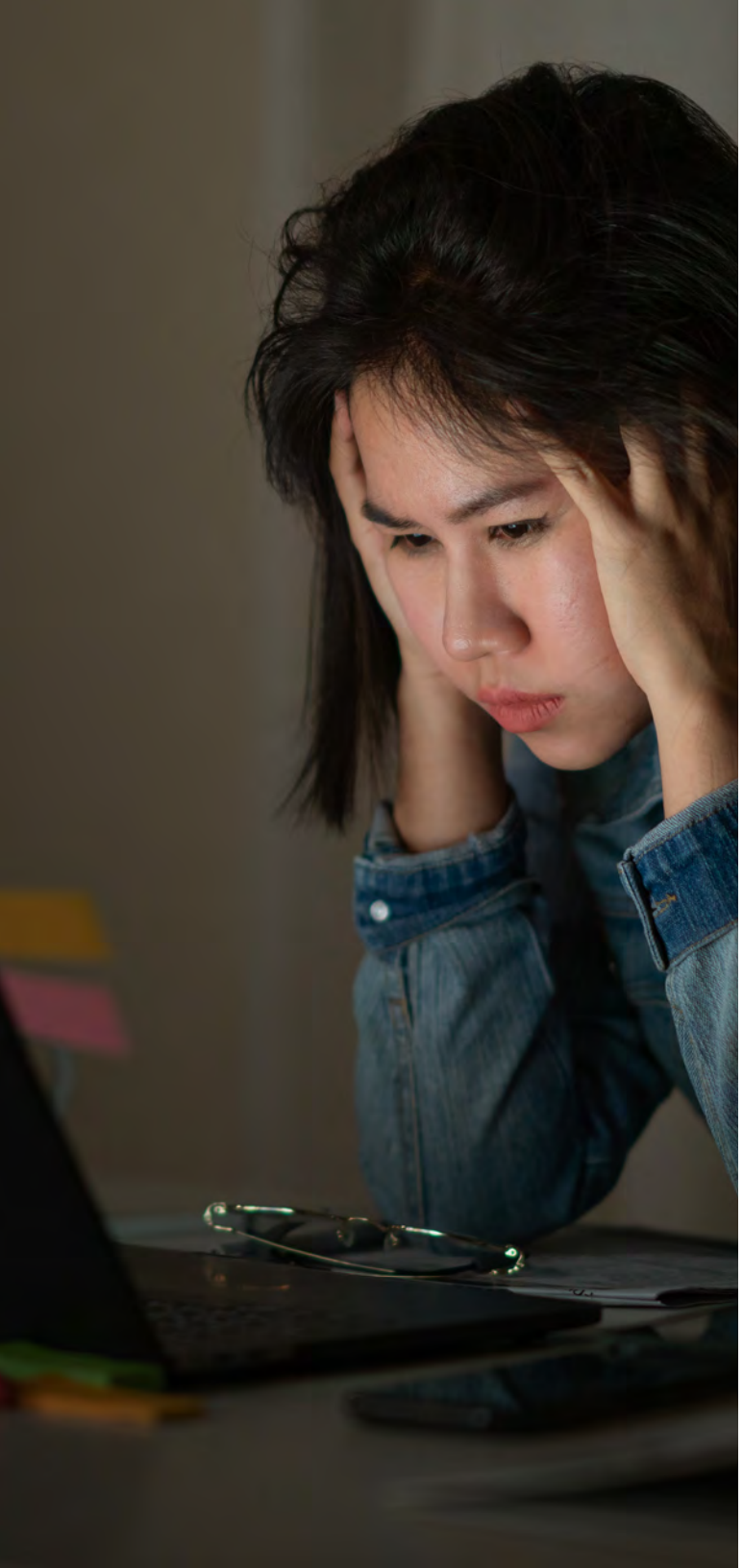
CWB CERTIFIED CSA W47.1

complyworks

ACSA

Technical Safety Authority of Saskatchewan

ABSA the pressure equipment safety authority



Mental

At Scovan, we prioritize the mental health of our team members and implement systems that foster an open dialogue and continuous improvement. These efforts have helped us achieve our zero-incident targets and bring us closer to reaching a safe and healthy future. Through collaborative teamwork, we continually enhance our health and safety practices to ensure the well-being of our employees and the success of our organization.

We recognize that the foundation of our health and safety management system lies in empowering and engaging our workers through a psychologically safe approach. One of Scovan's core values is "Disruption for the Better"; we encourage our employees to challenge leaders and raise concerns about potential risks, ensuring that all issues are addressed before moving forward. This approach cultivates an environment where workers feel free to express their apprehension without fear of negative repercussions, allowing them to perform their jobs safely and effectively. By embracing this philosophy, we have seen significant improvements in engagement and productivity across the organization. Our workers can speak up and make informed decisions about their safety and the safety of others, leading to a reduction in overall incidents across the organization, as demonstrated by our Health, Safety, and Environment metrics.

Our goal is to achieve an eNPS >25%

FRESH FRIDAYS

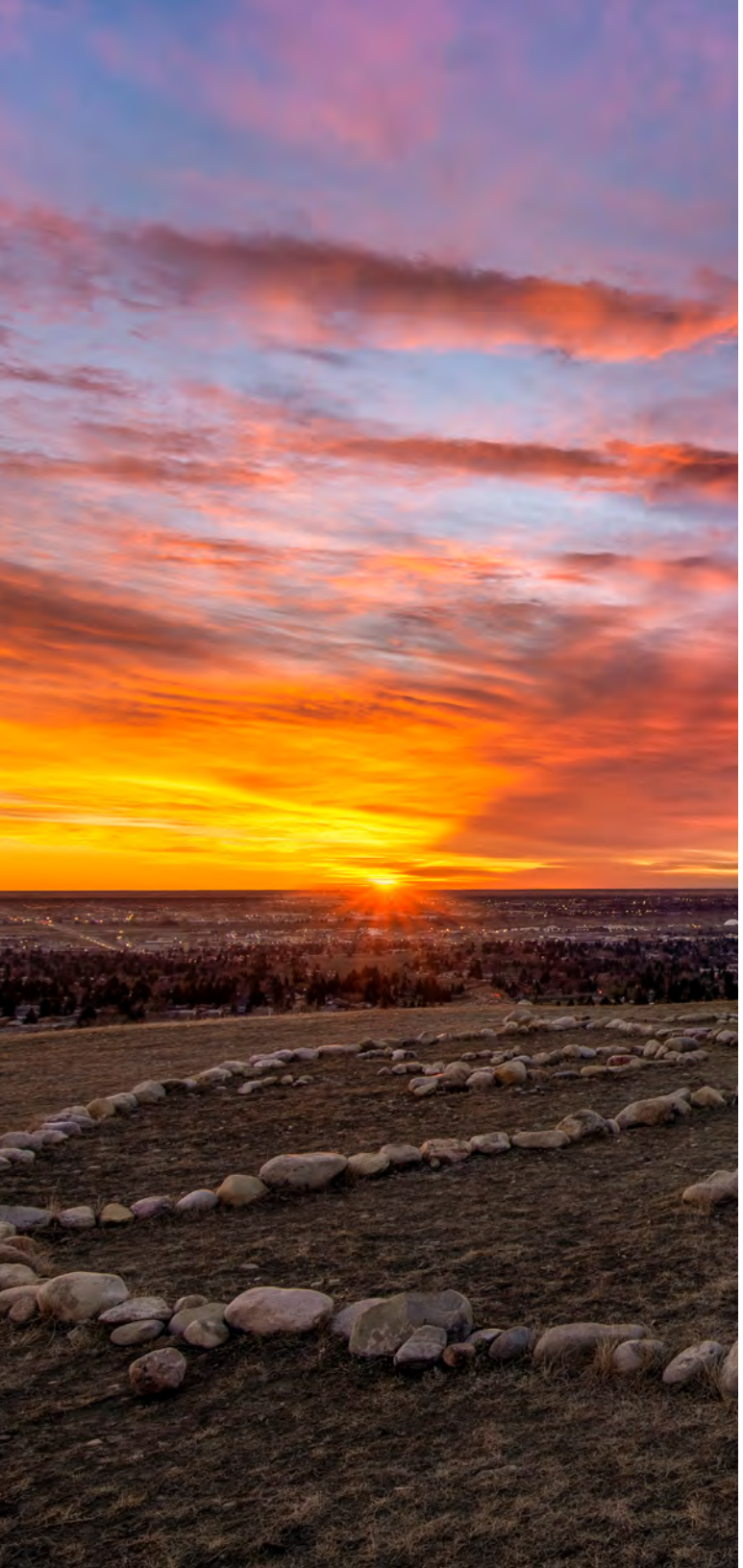
(employee retention, skills building, innovation, new technology, career development)

As part of our commitment to fostering innovation and collaboration, Scovan has held Fresh Fridays, an internal event dedicated to working together on initiatives that align with our goal of creating A New Energy. Fresh Fridays have involved a wide range of activities, such as researching new technologies, developing innovative products and services, improving internal processes, and professional development opportunities, among others.

Each semester, initiatives for Fresh Friday are carefully selected by the Innovation Committee, with periodic input from senior leadership. Every initiative has a designated leader, who is supported by a co-leader.

Leaders ensure that initiatives progress toward their final objective(s), and co-leaders assist in any way possible. All members of the group are expected to contribute. Documentation is a crucial aspect of Fresh Friday, and leaders must verify that the work completed by their teams is properly recorded.

Fresh Fridays have been an opportunity for our team to unite and drive innovation within our organization.



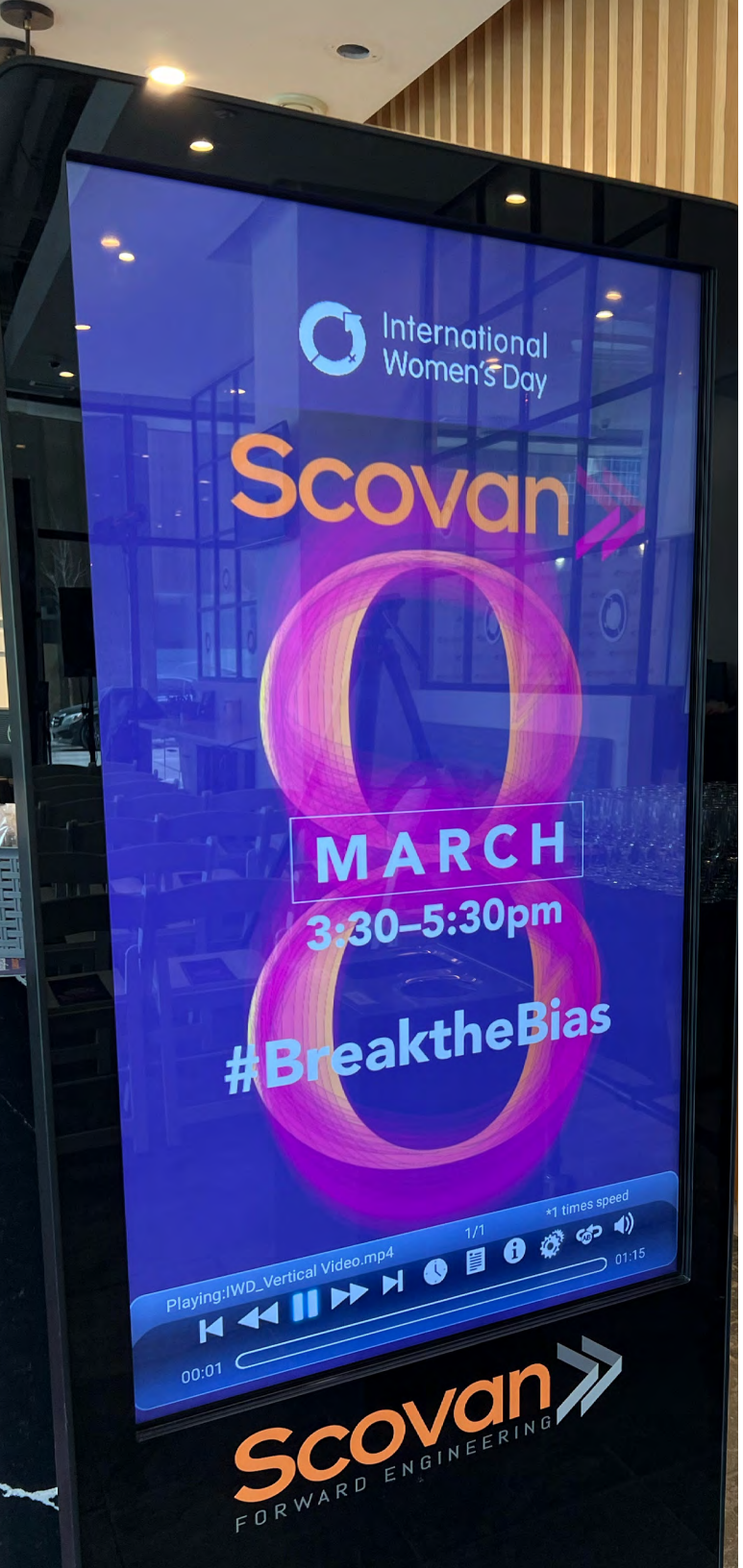
INDIGENOUS COMMITTMENT

Scovan is committed to attending and hiring individuals from the Maskwacis Bi-Annual Career Fair, recognizing the importance of supporting Indigenous employment efforts.

We ensure that an Indigenous component is included in every International Women's Day event, acknowledging and celebrating the contributions of Indigenous women.

As part of its commitment to support Indigenous communities, Scovan helps fund several Indigenous-run and -focused non-profits. In recent years, this has included organizations such as the Verna J. Kirkness Education Foundation, Blackfoot Tech Council, and Canada Bridges, among others.

Scovan recognizes that these measures are necessary for promoting diversity, inclusion, and equitable opportunities in Indigenous communities and remains dedicated to these initiatives as part of its ongoing commitment to corporate social responsibility.



INTERNATIONAL WOMEN'S DAY

In honour of International Women's Day, Scovan hosts an annual live event that unites industry members, business leaders and young professionals in acknowledging and celebrating the invaluable contributions of women in the professional realm. Distinguished female leaders share their inspiring personal experiences and provide valuable insights on how to promote gender equality in society and the workplace.

Scovan's IWD event represents a collaborative partnership between our team, sponsor organizations, industry leaders, and associations. Our commitment to supporting women in STEM is reflected in our 2023 event's partnership with WISE Planet at the University of Calgary. WISE Planet's mission is to promote diversity, inclusivity, equity, and social justice by providing specialized training to women and other underrepresented groups in STEM fields. These individuals are empowered to become agents for change, equipped with the necessary tools to tackle significant, shared challenges our communities face. Net proceeds of the event were contributed to the non-profit organization, Virna J. Kirkness. The mission of the Verna J. Kirkness Education Foundation is to increase the number of Indigenous students graduating from pure and applied science, engineering, and mathematics programs in Canada.

We believe in the power representation and recognition of women across all sectors creates a more equitable and inclusive environment for women to succeed in their careers.

COMMUNITY INVESTMENT

With a strong commitment to giving back and making a positive impact, Scovan actively engages in several community initiatives. From supporting local charities and nonprofits to hosting and sponsoring events and programs, Scovan demonstrates its dedication to CSR by investing in the communities where we operate. Through employee-led partnerships and collaborative efforts, we aim to contribute to the well-being and sustainability of communities, empowering individuals and fostering sustainable growth. Scovan is committed to being a responsible corporate citizen and making a meaningful difference in the communities it serves.

Scovan has provided long-standing support of amateur athletes who require corporate sponsorship to pursue their passion in sport. We have also provided support for local charities such as the Calgary Food Bank, the Heart and Stroke Foundation, Canadian Blood Services, Green Learning STEM Challenge, Christmas hampers for local families in need. Together, we believe we can make a difference in the lives of others.

DIVERSITY AND INCLUSION

To achieve our core value of Disruption for the Better, Scovan recognizes that it requires a range of diverse perspectives, backgrounds, approaches, and ways of thinking. We highly value and respect the diversity of our team and strive to provide opportunities for each team member to fulfill their full potential. At year end, our senior leadership team consisted of 40% female leaders, while 27% of our greater management team were women. Additionally, 32% of our company at year end consisted of visible minority team members.

Scovan values the diversity of its workforce and understands that our collective success is dependent on the distinctive skills, experiences, and perspectives that each individual brings to our organization. To uphold a work environment where all team members are treated with dignity and respect, we have pledged to ensure that our workplace remains free from any form of discrimination, sexual harassment, or bullying.

We recognize that every individual at Scovan has a crucial role to play in promoting and supporting our commitment to diversity. As such, we expect all staff members to treat their colleagues fairly and with respect, regardless of differences in background, identity, or any other factor. Scovan has a zero-tolerance policy towards discriminatory, harassing, or bullying behaviour and will take swift and decisive action to address any such incidents that may occur.

CULTURE COMMITTEE

At Scovan, we are fortunate to have employees with an innate drive to collaborate, support each other, and strive for excellence. To leverage this collective ingenuity and service-oriented spirit, our teams have established a Culture Committee, which works tirelessly to advance our priorities and foster engagement with employees at every stage of their career journey.

Our Culture Committee is responsible for spearheading a wide range of initiatives that promote employee engagement, wellness, volunteering, and social and environmental causes throughout the year. They promote inclusion at events like the Calgary Corporate Challenge, team building activities, social gatherings, cultural awareness and ongoing charity efforts.

GOVERNANCE

Goal #1: Scovan is committed to delivering value to our team through transparency, accountability, ethical conduct, diversity and inclusion and respect in the workplace through review of company policies to ensure operations are conducted ethically, safely and reliably, including the PPMP and the Employee Handbook (annual).

Year End Result: Review of our PPMP and Employee Handbook were completed. An additional 17 Health and Safety policies were reviewed and updated.

ETHICAL STANDARDS

Scovan is dedicated to upholding ethical standards in its operations, as outlined by APEGA's Guideline for Ethical Practice and EGBC Guide to the Code of Ethics. Our commitment to ethical conduct extends to all professional work and public forums, regardless of the location in which it is conducted. We also recognize the importance of adhering to local standards, human rights codes, cultural sensitivities, and linguistic practices within Alberta, Canada or beyond. We are committed to creating a positive impact through our work while maintaining the highest levels of professionalism and integrity.

ORGANIZATIONAL STRUCTURE

Scovan is incorporated under the Business Corporations Act of the Province of Alberta, authorized by APEGA to engage in the practice of engineering under Permit #P-10912. Our President, Donovan Nielsen, P.Eng, serves as the Chief Operating Officer and Responsible Member for the engineering practice. Other registered Responsible Members for Scovan include Scott Pattinson, P.Eng, and Oliver Kohlhammer, P.Eng.

We hold APEGS Certificate of Authorization #38655, which permits us to engage in the practice of engineering, with Scott Pattinson, P.Eng, and Oliver Kohlhammer, P.Eng, serving as Official Representatives for Scovan. Moreover, we hold EGBC Permit #1002048, with Donovan Nielsen, P.Eng, serving as the Responsible Officer for Scovan, and Oliver Kohlhammer, P.Eng, serving as a Responsible Registrant. As a company, we are dedicated to upholding professionalism and complying with all relevant regulations in the practice of engineering.

RIGHT PEOPLE, RIGHT SEATS

In order to promote a healthy organizational culture and achieve operational excellence, accountability is of utmost importance. Leadership by example fosters ownership, teamwork, and engagement within our teams, all of which are critical to our success.

To build trust and accountability, it is essential that everyone understands their role and the associated expectations. This shared understanding creates a sense of trust and accountability within the team, which enables them to operate more efficiently. To assess individuals based on their demonstration of our Core Values, we use the Right People, Right Seats Assessment. This tool evaluates individuals according to our GWC – get it, want it, capacity to do it – criteria ensuring we have the right people in the right roles to drive our success.

NO DOOR POLICY

Rather than implementing a traditional open door policy, we have a “no door” policy in place. We actively encourage team members to engage in open dialogue with anyone and everyone within the organization. No one is off-limits, and we strive to create an environment where individuals feel comfortable approaching their colleagues at any company level.

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