



NORTH WEST REDWATER PARTNERSHIP

ANNUAL REPORT

FORCED LABOUR AND CHILD LABOUR IN SUPPLY CHAINS ACT

Reporting Year: 2023
Submission Deadline: May 31, 2024

ATTESTATION

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


Name	Peter Duda
Title / Company	General Manager, North West Redwater Partnership
Date	May 23, 2024
Signature	
	I have authority to bind North West Redwater Partnership.

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1.0 INTRODUCTION

- The *Fighting Against Forced Labour and Child Labour in Supply Chains Act* came into effect in Canada in 2024 to encourage businesses in Canada to help eradicate modern slavery.
- With millions of victims worldwide as reported by the International Labour Organization, forced labour and exploitative child labour exists in many supply chains around the globe.
- According to Public Safety Canada, the Act aims to increase industry awareness and transparency as well as drive businesses to improve practices.

2.0 PURPOSE AND SCOPE

- North West Redwater Partnership (NWRP) has an obligation to complete an annual report beginning in 2024 as a business entity in Canada meeting the size threshold that produces, sells and imports goods.
- Information contained within this report covers NWRP's previous financial year (2023) and relates solely to the subject of forced labour or child labour. The report contents are structured as per the requirements of the Act and are not intended to be future looking.

3.0 STRUCTURE AND ACTIVITIES

- **Mission:** Maximize the value of processing bitumen into energy products safely and responsibly by our high performing teams for our partners, customers, and Alberta.
- North West Redwater Partnership ("NWRP") is a 50/50 general partnership between CNR (Redwater) Limited ("CNR Redwater") and APMC (Redwater) L.P. ("APMC LP"). NWRP owns and operates a single asset – the Sturgeon Refinery – located 45 km north east of Edmonton, Alberta. The refinery became commercially operational in June 2020. The refinery employs more than 350 employees and more than 150 contractors for a total workforce of over 500 individuals. All are based in Alberta, Canada.
- The partnership's strategic direction is set by the Executive Leadership Committee (ELC), which has two representatives from CNR Redwater and two from APMC LP. With guidance from the ELC, the Senior Leadership Team (SLT) is responsible for daily operations of the facility, ensuring appropriate and effective measures are in place to create and execute strategies and manage operational requirements.
- The Sturgeon Refinery is designed to process approximately 79,000 barrels per day of diluted bitumen from Alberta's oil sands. Bitumen feedstock is processed into diesel, vacuum gas oil, diluent, and natural gas liquids (see table below). The refinery uses leading-edge technology while meeting environmental performance benchmarks with carbon capture and storage to lower the overall environmental footprint. Products are transported to customers via pipeline, truck and rail mainly throughout Canada and into the United States.

Product	2023 Average Barrels Per Day
Bitumen Feedstock Processed	47,200+
Diesel Produced	40,500+
Other Energy Products Produced	41,000+

4.0 SUPPLY CHAINS

- In 2023, NWRP spent \$1.6 billion CAD on the acquisition of goods, services, feedstock and commodities that were necessary to operate its Sturgeon Refinery. The supplier base consisted of over 600 vendors. Feedstock and commodities represent the vast majority of the overall spend followed by services, and finally goods.
- NWRP’s 2023 procurement breakdown by region (rounded to the nearest hundredth):
 - Canada: 96.95%
 - United States: 3.04%
 - Outside of North America: 0.01%

5.0 POLICIES AND DUE DILIGENCE PROCESSES

- NWRP has several policies to guide business conduct. NWRP also complies with the Government of Alberta's Alberta Employment Standards which govern the rules, regulations, and compliance measures for employers and employees in Alberta workplaces.
- NWRP’s Code of Conduct Policy reflects our Values, clearly articulates our standards, and confirms our commitment to ethical business practices and behaviours in all our business affairs.
- Policies such as Work Schedules, Pay Practices and Leaves of Absences meet or exceed the Employment Standards minimum requirements.
- The Allegations of Wrong Doing Policy assures that NWRP maintains a system to receive, retain, and address all confidential submissions by staff concerning management and corporate practices or potential violations of the law. All staff are encouraged to report any suspected violations in accordance with this Policy without fear of reprimand.
- NWRP’s 24/7 Confidence Line™ is an anonymous incident reporting telephone line that any staff member of NWRP can use.
- In 2023, the new legislation was not yet specifically reflected in NWRP policies in place with third-party vendors. NWRP is committed to upholding high standards of integrity, ethical conduct and responsible business practices in its activities and supply chains. Our direct suppliers, including all entities that provide goods

or services to NWRP, are expected to comply with all applicable laws, including laws related to labour standards and to extend these principles to their own employees and supply chains for the goods and services provided to NWRP.

6.0 FORCED LABOUR RISK AND MITIGATION

- NWRP procures feedstock, materials and equipment from third party vendors of which nearly 100% is from suppliers within North America. Of the North American spend, Canadian suppliers account for nearly 97%, and are subject to Canadian employment and human rights laws, as well as the forced labour and child labour import restrictions under Canada's *Customs Tariff* and reporting obligations under the *Fighting Against Forced Labour and Child Labour in Supply Chains Act*. This is complemented by forced labour restrictions in the United States such as the most recent *Uyghur Forced Labour Prevention Act of 2021*.
- As such, NWRP's likelihood of the risk of forced labour and child labour in its domestic operations is low in light of the geographic source of NWRP's procurement along with the company's commitment to compliance with Alberta labour and employment laws and human rights standards and the policies and procedures in place to address these requirements. NWRP remains vigilant to monitor for any changes in circumstances that could increase risk.
- During the 2023 reporting period, NWRP's formal assessments didn't yet reflect the new legislation. Each year, NWRP reviews operating activities and relationships with suppliers generally in the normal course of business and addresses risks as they are identified.

7.0 REMEDIATION MEASURES

- During the 2023 reporting period, NWRP did not identify any specific instances of forced or child labour in its activities or supply chains, and accordingly NWRP did not implement any specific remediation measures in relation to such issues. Similarly, no specific measures have been taken by NWRP to remediate lost income by vulnerable families as a result of forced or child labour.

8.0 EMPLOYEE TRAINING

- During the 2023 reporting period, NWRP's training included overall business conduct, ethics, reporting, and standards. NWRP's employment policies are posted internally for all staff to access. Training on the Code of Conduct and Respectful workplace polices occurs upon hire and mandatory in-person recommitment by all staff occurs on an annual basis.

9.0 ASSESSMENT AND EVALUATION

- For the 2023 reporting period, NWRP deems the risk of forced labour and child labour in its domestic operations as low. NWRP remains committed to monitor for any changes in circumstances that could increase risk.