

2023

Fighting Against Forced Labour and Child Labour in Supply Chains Act Report

May 29, 2024



Power to Change THE FUTURE™

ABOUT THIS REPORT

This report (“Report”) of BluEarth Renewables Inc. (“BluEarth”) is made pursuant to the requirements of section 11 of the *Fighting Against Forced Labour and Child Labour in Supply Chains Act* (the “Act”). The contents of this Report apply to BluEarth only.

BluEarth, as a leading, independent, power producer, understands the importance of promoting and integrating human rights considerations in all aspects of our business activities. We strongly believe in the prevention and reduction of all forms of forced and child labour (“Forced Labour”). The information contained in this Report covers the activities of BluEarth from January 1, 2023 to December 31, 2023, unless otherwise stated (the “Reporting Period”). This Report has not been externally assured.

BLUEARTH STRUCTURE, OPERATIONS AND SUPPLY CHAINS

Structure and Operations

BluEarth is a leading, independent, power producer that acquires, develops, builds, owns and operates wind, hydro, solar and storage facilities across Canada and in the United States through its US affiliate, BluEarth Renewables US LLC. The combined Canadian and United States portfolio includes over 1 GW_{AC} (gross) in operations, under construction and contracted pre-construction, and over 8 GW of high-quality development projects that are actively being advanced.

BluEarth is incorporated under the *Business Corporations Act* (Alberta) and is headquartered in Calgary, Alberta, with its head office located at 400, 214 11th Avenue SW Calgary, Alberta T2R 0K1.

BluEarth’s business is conducted through its subsidiary entities which hold project assets. Some of BluEarth’s projects are joint ventures with private, local, or Indigenous partners.

For additional information on BluEarth, please refer to our website bluearthrenewables.com.

Supply Chains

In the course of conducting our business, BluEarth procures services, materials and equipment either directly or indirectly through our suppliers and contractors. BluEarth’s procurement activities are managed by its internal procurement specialists at its offices, or by its management and supervisors at its operating facilities. BluEarth’s procurement activities during the Reporting Period included, but were not limited to:

- Engineering, construction, procurement and other professional services sourced from contractors located in Canada and the United States;
- High voltage electrical equipment manufactured in North America, Europe and Japan;
- Solar panels manufactured in Thailand;
- Wind turbine components manufactured in North America, Europe and India; and
- Ongoing parts and services procurement required for the day-to-day operation of BluEarth’s operating wind, solar and hydroelectric facilities.

BLUEARTH'S POLICIES AND DUE DILIGENCE

Policies

Responsible Procurement Policy

Pursuant to our Responsible Procurement Policy, we take steps as outlined in this Report to prevent and reduce the risk of Forced Labour in our operations and supply chains.

Code of Business Conduct

BluEarth's Code of Business Conduct ("Code") outlines the principles and standards of ethical conduct to which BluEarth's directors, officers and employees are expected to adhere in the conduct of BluEarth's business and affairs. In the Code, BluEarth has formalized its commitment to, among other things, operating in a responsible manner that complies with applicable laws, rules and regulations.

Anti-Bribery/Anti-Corruption Policy

BluEarth is committed to conducting all aspects of its business in keeping with the highest legal and ethical standards and expects its personnel to uphold this commitment. Bribery and corrupt conduct in any form are strictly prohibited. This policy is designed to promote compliance with all applicable anti-bribery/anti-corruption laws.

Whistleblower Policy

BluEarth has a 24/7 confidential whistleblower hotline. We encourage employees to report any action or event that they feel is improper, unlawful, dangerous, or harmful to the public interest, including financial or ethical misconduct or violations of the Code or other BluEarth policies, without fear of retaliation or a negative impact on their employment status at BluEarth.

Due Diligence Processes in Relation to Forced Labour

When addressing Forced Labour risks, BluEarth's due diligence processes are risk-based and, therefore, currently prioritize major projects with major procurement items including solar panels, wind turbines, large electrical components and project engineering, construction and procurement contracts. This prioritization entails following a consistent, multi-step process to identify, measure and manage Forced Labour risks in our supply chains as described below.

Initially, BluEarth:

- Conducts Forced Labour database searches to identify high-risk direct suppliers;
 - Asks questions regarding Forced Labour in the supplier's supply chains;
 - Reviews the supplier's policies and procedures with respect to Forced Labour in their supply chains; and
 - Reviews supply chain traceability audits where applicable.
- (the "Initial Due Diligence")

Following the Initial Due Diligence, BluEarth:

- Determines the type of contract review and risk allocation analysis necessary based on the equipment type and source jurisdiction(s); and
- Determines what contractual language regarding Forced Labour is appropriate. At a minimum, all procurement contracts contain language prohibiting the use of Forced Labour.

Following our review of our due diligence processes in 2023, BluEarth is updating its major projects and major procurement supply chains due diligence process in 2024 to include questions regarding:

- The due diligence that our suppliers conduct on their supply chains with respect to Forced Labour;
- Whether suppliers have a code of conduct prohibiting Forced Labour that their suppliers must adhere to;
- The contractual terms that suppliers require their supply chain counterparties to agree to with respect to Forced Labour; and
- Whether suppliers or anyone in their supply chain have ever been investigated by a governmental authority for using Forced Labour.

BLUEARTH STEPS TO PREVENT AND REDUCE THE RISK OF FORCED LABOUR

In 2023, BluEarth took the following steps to prevent and reduce the risk of Forced Labour occurring in its operations and supply chains:

- Implemented the due diligence processes with respect to Forced Labour outlined in this Report;
- BluEarth's dedicated internal working group, comprised of representatives from origination and development, engineering, construction and procurement, operations and legal, (the "Internal Working Group") met and assisted in the development and monitoring of our policies and procedures regarding the prevention and reduction of Forced Labour in our operations and supply chains;
- The Internal Working Group reviewed and considered applicable governmental guidance; and
- Continued efforts to integrate the Sustainable Development Goals developed by the United Nations Member States in 2015, including those related to decent work and economic growth.

Forced Labour Risk Assessment

Operations

BluEarth considers its operational risk as it relates to Forced Labour to be low. Out of 160 countries, Canada is ranked 17th lowest in terms of prevalence of "modern slavery" by the Global Slavery Index produced by Walk Free, an international human rights group focused on the eradication of modern slavery. Coupled with its low jurisdictional risk, BluEarth maintains employment practices consistent with Canadian laws.

Supply Chains

Procuring equipment, including solar panels, wind turbines, hydroelectric equipment and other electrical components, carries the inherent risk of Forced Labour practices being present within the supply chains of these various types of equipment. The severity of this risk, however, varies significantly based on geographic location and the specific services, materials, and equipment being procured. For instance, sourcing solar panels and the related components from certain jurisdictions—such as China—typically present, the highest

risk of Forced Labour concerns. Conversely, materials and services obtained from North America and Europe generally pose a lower risk of Forced Labour, although they may still contain components sourced from higher-risk geographic areas.

At BluEarth, we take proactive steps to mitigate this risk. We prioritize reputable direct suppliers and contractors and, where we are able, we engage local suppliers. Additionally, we have processes to address Forced Labour risks as discussed in this Report.

BluEarth did not identify any instances of Forced Labour in our supply chains during the Reporting Period and, therefore, no remedial measures were taken, including those related to remediating the economic impact on the most vulnerable families.

Employee Training

BluEarth employees complete a mandatory annual Code and corporate policy awareness training in which all employees must certify that they have read, understand and complied with the Code and applicable policies, including the Responsible Procurement Policy.

During the Reporting Period, members of our origination and development, engineering, construction and procurement, operations and legal teams participated in training sessions on Forced Labour in the renewable energy supply chain and the Act.

ASSESSMENT OF EFFECTIVENESS OF MITIGATION EFFORTS

BluEarth conducts periodic internal audits to ensure our due diligence procedures regarding Forced Labour are being executed in accordance with BluEarth's policies. Additionally, BluEarth's Internal Working Group met regularly to discuss our policies and procedures regarding Forced Labour in our operations and supply chains.

ATTESTATION

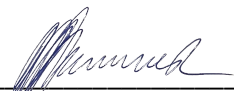
This Report is for BluEarth Renewables Inc. and has been approved by BluEarth's Board of Directors pursuant to section 11(4)(a) of the Act. This Report was reviewed and approved by BluEarth's Board of Directors in accordance with BluEarth's standard governance practices. The Board has relied upon representations by management and the materials provided.

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 above. Based on my knowledge, and having exercised reasonable diligence, I attest that the information in the Report is true, accurate and complete in all material respects for the purposes of the Act, for the reporting year listed above.

I make the above attestation in my capacity as a director of the Board of Directors of BluEarth and not in my personal capacity.

I have the authority to bind BluEarth Renewables Inc.

Dated May 29, 2024.



Richard Brouwer, Chair of the Board of BluEarth Renewables Inc.