

Task Force on Climate-Related Financial Disclosures Report

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SECURE

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Introduction

As SECURE advances its ongoing commitment to climate action, we are pleased to release our inaugural climate-related disclosure report for 2022 guided by the Task Force on Climate-Related Financial Disclosures (TCFD) framework. This report aligns with the TCFD recommendations by setting out our expected governance, strategy, risk management, and metrics and targets as they relate to climate impact. Over the coming years, SECURE's climate-related reporting is expected to evolve with, and support, our actions, strategy, targets and policies.

In addition to the information set out in this report, SECURE's Annual Information Form (AIF) also identifies certain climate-related risks inherent in SECURE's business. SECURE releases annual Sustainability Reports that showcase our strategy, short and long-term goals that are created to achieve meaningful change on the path to a lower emission future. Our past Sustainability Reports can be found [here](#), and our AIF can be found [here](#).



Message from Chair of the ESG Committee - Sue Riddell Rose

As an organization providing services across numerous geographical regions, service lines and industries, SECURE is well positioned to focus on solutions that help reach its emission reduction targets while also helping our customers do the same. Emission reduction leadership is a priority for SECURE's Board of Directors and Senior Leadership team and we are committed to guiding our business strategy and enhancing our governance framework to support the energy transformation.

Energy reliability and affordability are among the greatest risks in the energy transformation journey and are important considerations when balancing greenhouse gas (GHG) emission reduction initiatives and energy security. Even-cleaner and responsibly produced hydrocarbon-based fuels will be a critical part of the energy transformation, providing an affordable and reliable energy supply globally throughout the evolution to an increasingly sustainable energy mix.

In the past several years, SECURE has heightened its focus on sustainability, including:

- Renaming its Health, Safety, Sustainability and Environment board committee to Environment, Social and Governance (ESG) Committee to reflect the Board's focus on the integration and implementation of ESG across the organization
- The ESG Committee approving the 2021 Sustainability Report which included, for

the first time, a detailed section on Climate Strategy and initiatives

- Releasing a Climate Action Plan that contains the path we believe will help SECURE achieve our GHG emissions reduction targets over the next 10 years and beyond;
- Updating SECURE's vision and purpose to align with the unique strengths of the new combined organization
 - Vision: To be the leader in environmental waste management and energy infrastructure
 - Purpose: To think differently about energy, the environment, and waste
- Refreshing our materiality assessment to reflect the combination with Tervita and our increased ESG maturity and to further understand and assess climate change as a business risk
- Enhancing our climate-related disclosure, including through the release of this inaugural TCFD Report which is an important step for SECURE to take on its sustainability journey as it provides us an opportunity to better understand and prioritize climate-related risks and opportunities

SECURE, by the nature of our services, reduces environmental impact while creating value for our customers. Examples of this include maximizing the value of oilfield waste to create saleable, pipeline specification oil. In 2022, our



recovery processes, combined with the use of our pipeline infrastructure, resulted in the avoidance of 154,876 tonnes of CO₂e, enough to offset all of our own Scope 1 Emissions.

Canada has the natural resources and the know-how to export more of our resources and play a leading role in global emissions reduction, high ESG standards energy to the world. SECURE is well positioned to drive the energy transformation by both reducing our own emissions and seizing opportunities to help our customers achieve their emission reduction goals.

Sue Riddell Rose
Director

Message from CEO – Rene Amirault

2022 was a formative year for SECURE in climate strategy with the release of our Climate Action Plan and comprehensive 2021 Sustainability Report. The Climate Action Plan details SECURE's path to achieving net-zero greenhouse gas emissions by 2050. The path provides a framework specifically focused on potential climate change initiatives over the short, medium, and long-term which enables us to integrate climate specific elements into our business strategy and annual goal setting.

SECURE's philosophy when evaluating ESG and climate-related projects designed to support the energy transformation is all about doing good business - which means they are beneficial to SECURE and our customers and provide a healthy financial return on investment. Our suite of services supports our customers through the energy transformation and reduces emissions - such as displacing 110,317 trucks (10,680 tonnes of CO₂e) off the road in 2022 by using SECURE's pipelines for transporting crude oil and water.

In addition, we are investing in energy efficiency projects today to reduce the energy intensity of our operations towards achieving our climate-related targets. SECURE's voluntary participation in both the Saskatchewan Output-Based Performance System (OBPS) and the Alberta

Technology Innovation Emission Reduction (TIER) demonstrates our commitment to reducing our greenhouse gas emissions. Initiatives unique to SECURE such as the Energy Optimization Program to reduce our electricity intensive processes at our Waste Processing Facilities and our investigation of technology to improve the combustion efficiency of our fleet demonstrates our commitment to climate action today.

Geopolitical factors in the past 18 months have demonstrated that oil and gas are still required to sustain our quality of life and that energy security and scarcity are issues that will influence the energy transformation. Knowing that fossil fuels will continue to be needed for the foreseeable future, SECURE is committed to supporting our customers in sustainably producing the most cost effective and responsible barrel in the world.

The energy transformation provides both opportunities and risks to the oil and gas industry and SECURE. SECURE continues to evaluate projects and emerging markets driven from energy transformation to diversify our business and to drive business resilience. As a customer-focused organization, helping our customers operate sustainably while also reducing their emissions is our priority.



SECURE's vision is to be the leader in environmental waste management and energy infrastructure and our purpose is to think differently about energy, the environment and waste. These guiding principles enable us to help our customers be environmentally responsible and, together, build a more sustainable future.

Rene Amirault
Chief Executive Officer

Governance

Governance is managed at the highest level by SECURE's Board of Directors (Board or Board of Directors), providing effective corporate governance around climate-related risks and opportunities on behalf of all stakeholders by offering strong and thoughtful leadership and oversight of risk identification, assessment, management and mitigation, and compliance with all laws and adhering to the highest ethical standards. SECURE's Code of Conduct guides all of its business activities to be carried out in an honest and ethical manner. In addition, SECURE maintains robust policies and procedures relating to, among other things, diversity and inclusion, corporate disclosure and trading in securities that promote best governance practices throughout the organization. Our governance library can be found at secure-energy.com/governance.



Board Oversight

SECURE's Board has four committees, Audit, Corporate Governance & Nominating, Human Resources & Compensation and ESG. SECURE has established an effective internal governance structure to help implement sustainability strategies and deliver on our sustainability commitments across the business through the ESG Committee. This committee assists the Board in fulfilling its oversight responsibilities with respect to ESG issues, including climate-related matters that impact SECURE by monitoring management systems and processes relating to the identification, assessment and management of climate-specific risks and opportunities. Climate-related risks and opportunities are also

a standing agenda item at the quarterly board meetings, discussed with the ESG Committee.

SECURE's Board, in consultation with the committees of the Board, oversees and monitors the effectiveness of climate-related metrics and targets used by SECURE to assess and manage relevant climate-related risks and opportunities. SECURE's Board ensures that climate-related issues are incorporated into its business strategy.

Climate-related risks are also described in the Annual Information Form and other public disclosure documents filed by SECURE, which are reviewed and approved by the Audit Committee.

In addition, 25% of our executive compensation performance share unit criteria is linked to ESG factors which was reviewed and approved by the Human Resources and Compensation Committee.

Additional information regarding the Board's role in climate risk oversight is included in the Sustainability Strategy and Governance sections of SECURE's 2022 Sustainability Report and in our March 15, 2023 Management Information Circular.

Board of Directors

The figure below summarizes how the Board of Directors and the Board Committees interface on climate-related issues.



SECURE's Board of Directors Provides oversight of SECURE's ESG issues that impact SECURE which includes climate change risk management and climate strategy to ensure shareholder interests are represented.

ESG Committee Non-executive Directors appointed by the Board to review and advise on ESG policies, practices, programs, management systems, processes and goals relating to the identification and management of ESG risks and opportunities including those specific to climate-related issues.

Audit Committee Non-executive Directors appointed by the Board to monitor the principal risks that could affect the financial reporting of SECURE and periodically discuss with management the steps that management has taken to assess, manage, prevent and mitigate such risks including those related to climate. Review and assess the adequacy of SECURE's risk management policies, systems, controls and procedures with respect to SECURE's principal business risks including climate.

Human Resources and Compensation Committee Non-executive Directors appointed by the Board to set remuneration and remuneration policies in alignment with Corporate Strategy and to review and monitor the link between executive compensation and SECURE's performance on both short- and long-term ESG goals and targets including those related to climate, for example emission reduction.

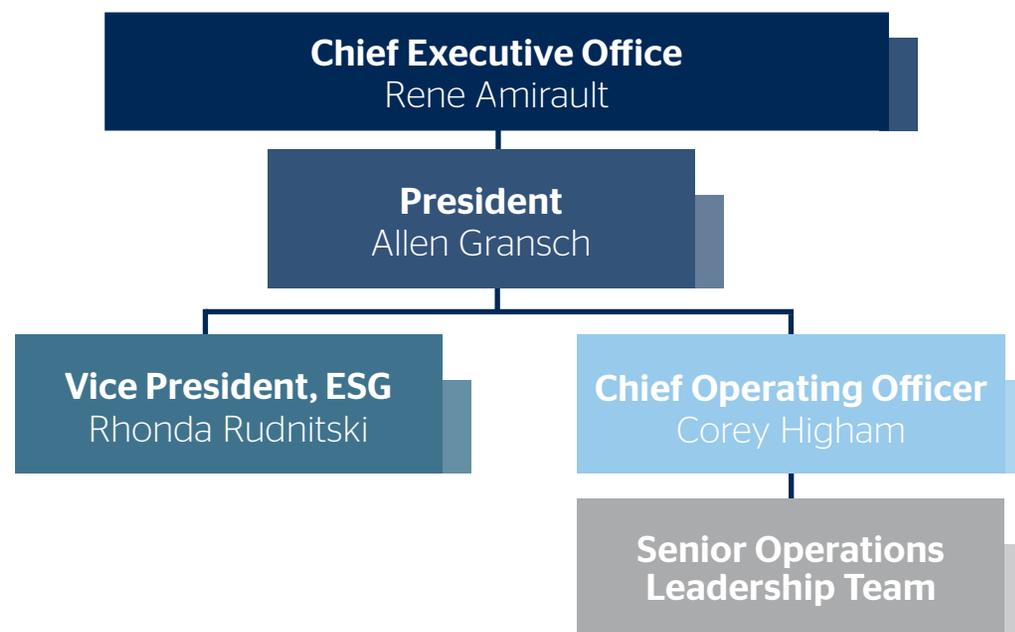
Chief Operating Officer's Role

Led by the President, SECURE's COO oversees our climate-risk within the organization to ensure oversight into all areas of our business. The COO helps identify, assess and manage climate-related risks and opportunities and bring them to the President and CEO where they are reviewed and discussed quarterly as part of strategy sessions where climate and emissions are recurring topics.

The COO is responsible for setting SECURE's strategic direction and making managerial decisions on operations, resources management, and setting corporate goals to support the execution of the strategy, including as it pertains to sustainability initiatives. The President and VP ESG reports to the ESG Committee on SECURE's climate-related performance on a quarterly basis.

Senior Leadership Team

The Chief Executive Officer, Rene Amirault, President, Allen Gransch, Chief Operating Officer, Corey Higham, and Vice President, ESG, Rhonda Rudnitski are the most senior individuals in the organization responsible for climate-change risk management.



Chief Executive Officer: Rene Amirault Oversees all climate-related matters including progress on delivery of strategy, climate-related disclosures, corporate performance, and the governance of climate-related matters.

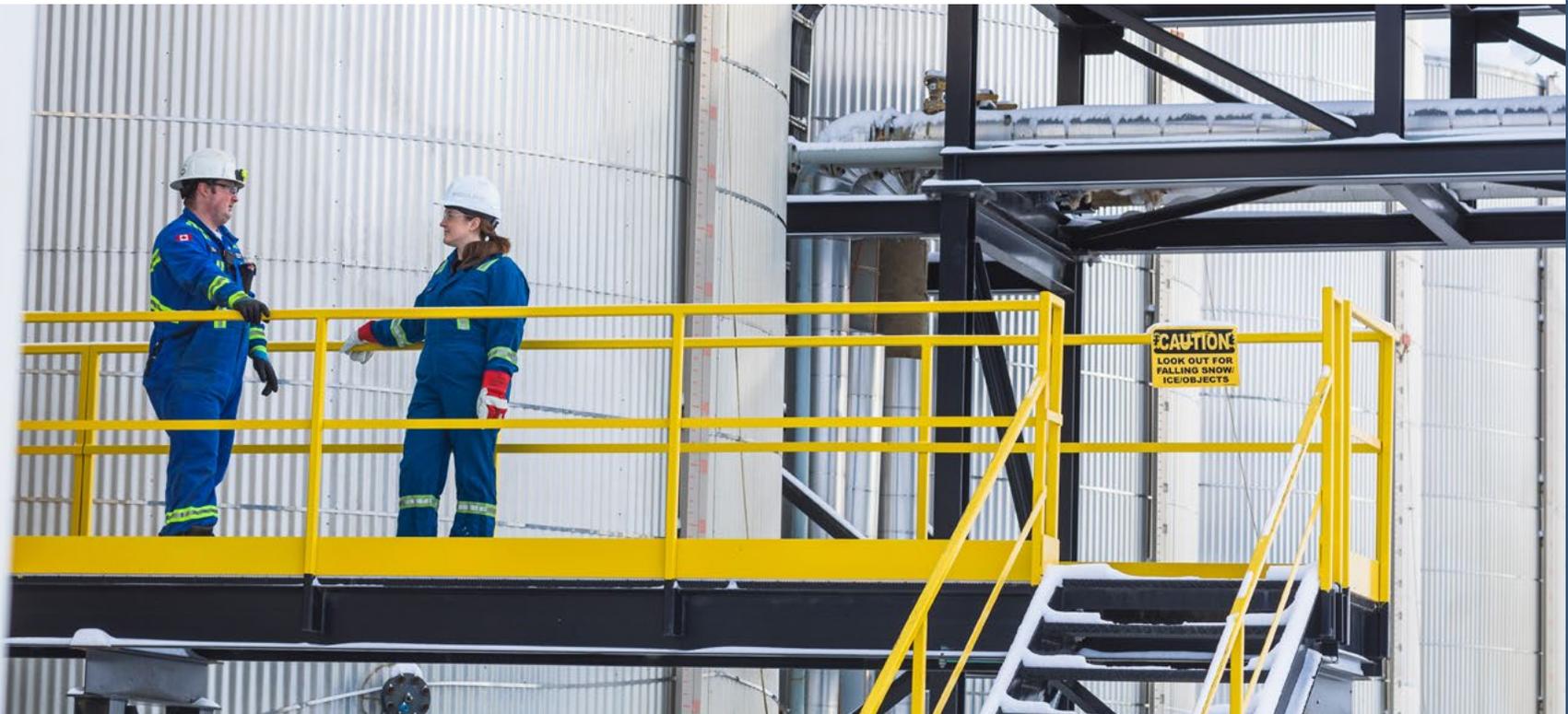
President: Allen Gransch Responsible for overseeing the integration of climate-related matters into the business strategy including the development of goals and initiatives that will enable successful execution of the business strategy through the Playbook. Also responsible for allocation of resources and budget to support ESG and climate-related initiatives included in the business strategy.

Vice President, ESG: Rhonda Rudnitski Provides strategic and functional direction for ESG initiatives and monitors SECURE's performance on key sustainability indicators. Responsible for reviewing emerging ESG risks and opportunities relative to SECURE's business including those specific to climate. Collaborates with the COO and the Leadership Team to successfully execute the business strategy. Partners with Operations Senior Leadership to achieve operational excellence including initiatives that support the successful execution of the climate strategy such as the reduction of Scope 1 and 2 emissions. Responsible for overseeing climate-related monitoring and reporting and sets targets that support the successful delivery of climate-related strategy. Works with Business Development to identify and assess climate-related opportunities such as carbon sequestration and storage.

Senior Operations Leadership Team Responsible for each of their operational business units and executing plans and actions specific to their business to achieve goals that drive the strategy. Each operational business unit creates ESG specific goals to support the overall ESG strategy and are responsible for monitoring the ESG performance of their business units.

Strategy

The introduction of SECURE's Climate Action Plan in 2022 reinforced the need to refresh our materiality assessment to further understand and assess climate change as a business risk. As the science around climate change continues to develop, climate-related business risk will be re-evaluated, and materiality assessments refreshed to reflect emerging scientific understanding. These findings will guide the sustainability strategy, future reporting, and confirm alignment with stakeholders.



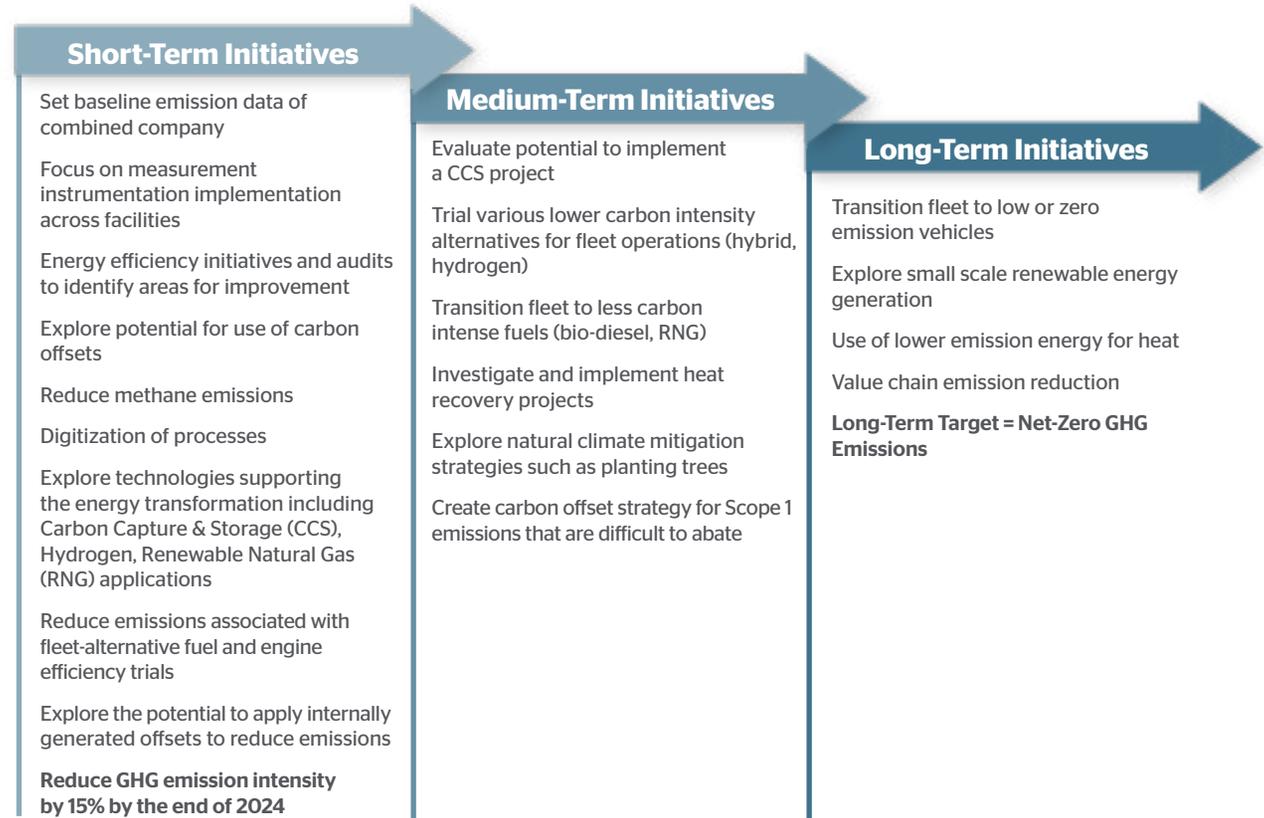
Climate-Related Risks & Opportunities

SECURE engages at all levels of the organization to work towards meeting our climate change objectives. Our long-term target is to achieve net-zero GHG emissions by 2050. Our path to achieving net-zero greenhouse gas emissions provides the framework for our climate strategy. To reach our target we are setting short, medium and long-term milestones that align with the path. We post our milestone goals and our progress towards completing them on our external website and in our annual Sustainability Report. SECURE's ESG Committee provides guidance on our Climate Action Plan and our goals and progress towards achieving them.

SECURE uses the following timelines when referring to short, medium and long-term time horizons which are aligned with our path to reducing greenhouse gas emissions by 2050.

SECURE has identified the following climate-related risks on the organization's business, strategy and financial planning.

Path to Net-Zero Greenhouse Gas Emissions by 2050



Climate-Related Risks

	Risk	Description	Potential Impact (Business, Strategy & Financial Planning)	Risk Mitigation & Opportunities
TRANSITIONAL RISK	Transitional	<p>If the demand for oil and gas and other hydrocarbons reduces because of policy and/or regulatory changes or intense social pressure, SECURE risks a shrinking customer base as production declines. Some existing regulatory approval frameworks are currently not conducive to bringing new technologies online in an accessible or accelerated manner which may result in delays in commercializing technology necessary to achieve our emissions reduction targets.</p> <p>SECURE has announced certain targets and ambitions relating to ESG and GHG emissions, specifically, a target to achieve net-zero GHG emissions by 2050. To achieve this goal, among others, and to respond to changing market demand, SECURE may incur additional costs and invest in new technologies and innovation. It is possible that the return on these investments may be less than what SECURE expects, which may have an adverse effect on its business, financial condition and reputation.</p> <p>Energy Reliability and Affordability - With the transition to lower emission technologies comes the risk of potential disruptions to energy reliability and affordability where SECURE's operations may be impacted. This has the potential to negatively impact both our customers and SECURE's operations.</p>	<p>These major changes may materially and adversely affect the business, financial condition, results of operations and cash flows, and potential for stranded or under utilized assets. Assessing the potential impact of this risk depends on a variety of factors and the specific financial impacts have not yet been quantified.</p> <p>Time frame: long-term</p>	<p>Exploring Potential Carbon Sequestration Project - SECURE is exploring the potential to develop a carbon capture and sequestration project in western Canada to provide our customers with an opportunity to lower their carbon intensity and diversify our business to drive business resilience. SECURE's expertise with disposal well operations (sub-surface injection) and Environmental Waste Management Infrastructure (pipeline operation) aligns with what is required to successfully operate sequestration projects. The Intergovernmental Panel on Climate Change (IPCC) acknowledges that carbon sequestration is a critical element to reaching net-zero emissions by 2050¹.</p> <p>New Technology Markets - SECURE is exploring opportunities that align with our operational skillset and facility network to participate in the early phases of the transition. These technologies include blue hydrogen and lower emission compressed natural gas (CNG) as a fuel to support near-term emission reduction strategies.</p> <p>Supporting our customers with Remediation and Reclamation - If a producer operating sites close, there will be opportunities for SECURE to generate revenue from the services rendered for closure, demolition, abandonment, remediation and reclamation, and landfill disposal.</p> <p>Energy Reliability and Affordability - In the short and mid-term, SECURE will continue to provide services for its customers, working towards the delivery of the lowest emission barrel possible. Low emission hydrocarbon fuels will continue to be a necessary part of the energy transformation. This also has the potential to create opportunities for SECURE by optimizing our facility infrastructure and services to support our customers with the transition.</p>

¹Intergovernmental Panel on Climate Change, Climate Change 2022: Mitigation of Climate Change https://www.ipcc.ch/report/ar6/wg3/downloads/report/IPCC_AR6_WGIII_SPM.pdf

	Risk	Description	Potential Impact (Business, Strategy & Financial Planning)	Risk Mitigation & Opportunities
TRANSITIONAL RISK	Market	<p>Concerns around climate change and increased demand for reduced-emission intensity energy could impact the demand for our products and services. Further, merger and acquisition activity amongst oil and gas exploration and production companies may reduce demand for SECURE's services.</p> <p>Risks associated with supply chain constraints on emission reduction technology solutions. For example, SECURE is waiting to trial an electric drive dozer at one of its landfills, however, availability of these dozers is limited and impacts SECURE's ability to implement these solutions on its journey to reducing its emissions.</p>	<p>The potential impact of this risk has not been fully assessed or quantified financially yet.</p> <p>Time frame: medium to long-term</p>	<p>As a customer-focused organization, SECURE works closely with its customers to provide sustainable solutions as market demands shift. An example of this is supporting our customers through the Government of Alberta's Site Rehabilitation Program to fund well, pipeline and oil and gas site closure and remediation work and the Alberta Energy Regulator's annual mandatory spend requirements. SECURE's risk mitigation to shifting market demands to a reduced emission economy is leveraging our comprehensive service offering as it relates to water treatment and recycling, environmental construction, remediation and reclamation equipment solutions. In addition, SECURE's readiness to explore new technologies such as carbon capture and storage is a risk mitigation tactic to participate in shifting market demand of our customers.</p>
	Reputational	<p>SECURE's reputation could be impacted if we do not achieve our climate-related targets, resulting in negative sentiment from stakeholders, media attention, legal concern, customers seeking out alternative providers, or potential credit rating impacts.</p>	<p>If SECURE fails to effectively manage our reputation, it could result in, among other things, revenue loss, a reduced customer base, decreased share price and decreased access to financing.</p> <p>Time frame: medium and long-term</p>	<p>In April 2022, SECURE released its Climate Action Plan that details its path to achieving its net-zero greenhouse gas emission target by 2050. SECURE reports on its climate action through several mediums, including annual sustainability reporting, dedicated Sustainability microsite, press releases and, social media.</p> <p>Reducing emissions in SECURE's operations is included in operational excellence initiatives, including greenhouse gas emission reduction targets and a water reduction target as factors impacting executive remuneration, to drive performance improvements. Investment in the PI (process integration) system started in 2012 and continues today; the system provides data on energy consumption and is a crucial first step determining where to focus on to drive meaningful emission reduction.</p>
	Policy and Regulatory	<p>SECURE's operations are subject to a variety of federal, provincial, state and local laws, regulations and guidelines, including laws and regulations relating to the environment, health and safety, the conduct of operations, and the manufacture, management, transportation including by pipeline, storage, and disposal of certain material used in SECURE's operations.</p> <p>Governmental policies and regulations continue to focus considerable attention on the effects of greenhouse gas</p>	<p>The potential impact of this risk has not been fully assessed or quantified financially yet.</p> <p>Time frame: short, medium and long-term</p>	<p>SECURE continues to actively monitor changing federal and provincial policies and regulations related to GHG emissions and the impact it may have to our business and that of our customers. Closely monitoring regulations and policies help to guide SECURE's climate strategy and adequately assess risks and opportunities linked to climate.</p> <p>SECURE actively participates in Industry Associations to better understand the impacts of upcoming regulatory and policy changes not only on SECURE but also on its customers.</p>

	Risk	Description	Potential Impact (Business, Strategy & Financial Planning)	Risk Mitigation & Opportunities
TRANSITIONAL RISK	Policy and Regulatory - Continued	<p>emissions in relation to the hydrocarbon industry and their potential role in climate change. Changes in environmental regulations, related to efficiency standards, the requirement for alternatively fueled vehicles or other government initiatives aimed at conserving energy or lowering GHG emissions, may adversely affect our results and financial condition going forward. Present and future regulations with respect to the control and taxation of GHG emissions in the jurisdictions in which SECURE operates could have a material impact on the nature of oil and natural gas operations of our customers, which may in turn impact our operations and financial condition.</p> <p>Some new technology that promotes a lower carbon economy is only viable based on strong carbon pricing, driven by government regulations. Should these regulations change, project economics could be negatively impacted.</p>		<p>Industry Association participation enables the exchange of best practices, provides insights and access to subject matter experts, provides peer and stakeholder perspectives on emerging issues, and facilitates keeping abreast of upcoming changes to policy and regulation.</p> <p>SECURE retains a third-party Government Relations firm to assist with monitoring relevant regulatory and policy changes.</p>
	Physical	<p>ACUTE</p> <p>Those acute physical risks from increased severity and frequency of climate-related events could result in extreme weather events such as drought, severe storms and flooding that could potentially impact SECURE's operations. These conditions may cause acute physical impacts on our operations and have the potential to cause business interruption and damage assets in both our own business and those of our customers.</p> <p>CHRONIC</p> <p>Those chronic physical risks from longer-term shifts in climate patterns could result in business interruption and damage assets in both our own business and that of our customers.</p> <p>Any physical climate-related impacts may have a material adverse effect on our business, reputation, financial condition, results of operations, and cash flows.</p>	<p>The potential impact of this risk has not been fully assessed or quantified financially yet.</p> <p>Physical Acute Risk time frame: short and medium-term</p> <p>Physical Chronic Risk time frame: long-term</p>	<p>ACUTE</p> <p>Emergency Preparedness - SECURE takes a proactive approach to planning for operational and non-operational emergency situations to minimize risk to our business and stakeholders. Emergency preparedness scenarios include those related to climate events.</p> <p>CHRONIC</p> <p>Staged Capping on Landfills - Staged capping is a method used to cover landfill cells with a welded synthetic liner, preventing precipitation from entering the landfill cell. The liner blocks the precipitation from encountering the underlying waste, preventing it from turning into leachate. Precipitation runs off the liner surface and into surface water management ditches around the landfill site, which is then collected in storm water retention ponds. Storm water is tested to ensure water quality and then released back into the natural environment (water shed). Approximately \$3.0 million in operating costs was saved applying staged capping technology in 2022 and since 2020, SECURE has invested \$29.4 million on staged capping.</p>

Risk	Description	Potential Impact (Business, Strategy & Financial Planning)	Risk Mitigation & Opportunities
Physical - Continued			<p>Pipeline Integrity – SECURE works with our customers to ensure that a pipeline and all its related components are running properly for the entirety of its lifespan. Pipeline integrity services assist our customers with avoiding spills and releases to the environment by ensuring pipelines are in sound condition after an extreme weather event.</p> <p>Asset Integrity at SECURE – Asset integrity management is material to SECURE due to the asset-based nature of our operations. Our integrity management programs, including the associated systems, processes, analysis and documentation, are designed and implemented to ensure proactive management of our environment and waste management infrastructure, and to meet or exceed regulatory requirements, resulting in world class safety, reliability and longevity throughout an asset’s lifecycle. A robust asset integrity program is a mitigating factor to ensure our assets are positioned to withstand climate change impacts over the long-term.</p>
Financial	<p>There is potential that in response to regulatory and market demand changes, SECURE may need to accelerate its net-zero by 2050 target. This would result in SECURE increasing investments in low-emission technology at a more rapid rate. The cost and viability of much of this technology, in commercial applications, is still unknown.</p> <p>There is also a risk that some or all of the expected benefits and opportunities of achieving the various sustainability targets may fail to materialize, may cost more to achieve or may not occur within the anticipated time periods. In addition, there are risks that the actions taken by the Corporation in implementing targets and ambitions relating to sustainability and emissions may have a negative impact on its existing business and operations and increase capital expenditures, which could have a negative impact on the Corporation’s business, financial condition, results of operations and cash flows.</p>	<p>The potential impact of this risk has not been fully assessed or quantified financially yet.</p> <p>Time frame: short, medium and long-term</p>	<p>To meet financial obligations, SECURE may adjust the amount of its dividends, draw on its revolving credit facility up to the covenant restrictions, divest assets, issue subordinated debt, obtain equity financing or reallocate funds from other business areas, goals or initiatives.</p>

Climate-Related Opportunities

Opportunity	Description	Potential Impact (Business, Strategy & Financial Planning)	Opportunity in Action & Future Considerations
Emission Reduction - New Technologies & Application of Existing Technologies	SECURE is investigating new technologies and application of existing technologies to find opportunities to reduce emissions at our Environmental Waste Processing facilities, including the utilization of instrumentation and measurement equipment to garner a better understanding of our natural gas and electricity consumption.	<p>The potential impact of this opportunity has not been fully assessed or quantified financially yet.</p> <p>Time frame: short, medium and long-term</p>	<p>Leveraging SECURE's facility network and expertise across service sectors, provides many opportunities to apply new and existing technology to reduce emissions, including:</p> <p>Monitoring Fuel Consumption - SECURE is also implementing onboard telematics devices such as VisionLink within some of our heavy equipment and vehicle fleet to better monitor and understand our fleet fuel consumption.</p> <p>Pipeline Connectivity - Pipelines provide a safe and low emission means to transport fluids. SECURE works with large "anchor" tenant customers to provide pipeline connectivity to transport water and oil safely and efficiently. Taking trucks off the road significantly reduce the emissions generated from moving the water and oil from the customer to SECURE. SECURE currently has 34 pipeline connected facilities and continues to seek additional opportunities to add more.</p> <p>CNG Filling Stations - SECURE is working with a large natural gas producer to explore the viability of working together to create CNG filling station infrastructure to facilitate transition from gasoline and diesel to CNG which has a lower carbon intensity without loss of reliability.</p> <p>Carbon Capture & Hydrogen - SECURE is leveraging our existing infrastructure and expertise to explore carbon capture and sequestration and hydrogen opportunities.</p> <p>Landfill Gas Emission Survey - In the summer of 2022, SECURE hired an air emission consultant to measure fugitive emissions from one of its industrial (contaminated soil) landfill sites to better quantify its landfill fugitive emissions. Survey findings will be utilized to develop "go forward" plans which may include more robust monitoring and measurement and targeted reduction plans if necessary.</p> <p>Fleet Emission Reduction - SECURE is exploring various technologies to improve combustion efficiency in its heavy equipment and heavy-duty transport fleet. If viable, this will provide an opportunity for immediate reduction in emissions in the short-term while more sustainable long-term options are investigated and assessed.</p>

Opportunity	Description	Potential Impact (Business, Strategy & Financial Planning)	Opportunity in Action & Future Considerations
Emission Reduction - New Technologies & Application of Existing Technologies - Continued			<p>Lighting Upgrade - At the Red Deer metals facility, a lighting upgrade project was completed to change out fluorescent lighting to LED. The upgrade at the facility is expected to reduce electricity consumption by 22%. Making small, simple changes in the short-term contributes to the overall long-term emission reduction goal while technology is being developed to address more challenging emission reduction objectives.</p> <p>Bioplastic Filters - SECURE uses filters in its own processes and also manages waste filters for a wide array of customers across several industries. SECURE is working with a technology innovator to assess the suitability of a filter media made from bioplastic. If the trials are successful, SECURE will be able to offer this environmentally superior filter to its customers which will enable SECURE and its customers an opportunity to participate in the circular economy. Substituting bioplastic for plastic directly supports the lower carbon economy and aligns SECURE with low carbon economy business opportunities.</p>
Industry and Service Diversification	SECURE strives to drive continuous improvement and diversify our business by seeking new opportunities that complement our existing service offerings and further assist our customers in meeting their climate action plans.	The potential impact of this opportunity has not been fully assessed or quantified financially yet. Time frame: short and medium term	<p>Emergency Response Services - SECURE's Emergency Response Team provides environmental emergency response services which can provide immediate relief to acute climate situations, such as the atmospheric rivers in the lower mainland of Vancouver in the fall of 2021. SECURE's Emergency Response team repaired multiple sections of the impacted railway. Services offered include flood and fire clean up and derailment services. As climate-related events become more frequent these services will become increasingly more important and vital.</p> <p>Carbon Capture and Storage - SECURE is exploring the potential to develop a carbon capture and sequestration project in Western Canada to provide our customers with an opportunity to lower their carbon intensity and diversify our business to drive business resilience. SECURE's expertise with disposal well operations (sub-surface injection) and waste processing facility (pipeline transport) aligns with what is required to successfully operate sequestration projects.</p>

Opportunity	Description	Potential Impact (Business, Strategy & Financial Planning)	Opportunity in Action & Future Considerations
Industry and Service Diversification - Continued			Industry Diversity - Through the Environmental Waste Management Infrastructure and Oilfield Services business segments, SECURE also supports a variety of other industries outside of the oil and gas industry, including mining, infrastructure and municipal projects. Most recently, SECURE is supporting our customers with the full life cycle of renewable energy projects, such as wind farms, requiring safe decommissioning, demolition and site remediation.
Carbon Credit Opportunity	<p>SECURE voluntarily participates in both Alberta and Saskatchewan's emission pricing systems.</p> <p>Saskatchewan's OBPS was originated to reduce emissions intensity across industrial sectors in the province. The OBPS is a made-in-Saskatchewan industrial emissions pricing system under the Province's Prairie Resilience climate change plan. Performance standards are set based on the emissions per unit of production. SECURE's Kindersley Waste Processing Facility enrolled in the program in 2021 and is required to reduce emission intensity to meet the aggregate facility benchmark. SECURE is held to a performance standard of 15% emission intensity reduction from the 2021 baseline set for the OBPS program.</p> <p>In addition, since 2020, SECURE has participated in the TIER program with its network of Waste Processing Facilities in the province of Alberta. After establishing a benchmark based on 2019 performance for the legacy Tervita aggregate facility, SECURE lowered its emission intensity over the required 10% and received its first set of emission performance credits in 2022. Emission intensity improvements resulted from enhanced facility utilization and optimization efforts to reduce natural gas consumption. SECURE's Alberta aggregate generated 982 emission performance credits in 2022.</p>	Time frame: short and medium term	In 2022, use of our recovery processes and pipelines resulted in the avoidance of 154,876 tonnes of CO ₂ e, enough to offset all of our Scope 1 Emissions. We will explore the potential to validate these as offset credits in the future.
Operations Resource Efficiency	<p>SECURE has several opportunities to efficiently manage its resources in an effort to reduce Scope 1 and Scope 2 emissions, these include:</p> <p>Fleet Optimization - Monitoring and evaluating our heavy equipment and transport fleets to identify opportunities to reduce fuel consumption. SECURE sees several opportunities to lower the carbon intensity of our fleet through the use of lower carbon intensity fuels (for example CNG, renewable natural gas (RNG), biofuels) and/or transitioning to alternate fuel vehicles (hybrid, hydrogen, electric).</p>	<p>The potential impact of this opportunity has not been fully assessed or quantified financially yet.</p> <p>Time frame: short and medium term</p>	SECURE launched ESG ID in 2021, which is a process to submit employee led ESG ideas. ESG IDs create an opportunity to capture new ideas and current initiatives, so the organization can develop best practices and share them across the organization. The majority of the environmental ESG IDs submitted are those related to emission reduction projects. Each idea is submitted, reviewed and vetted by the ESG team and sub-committees for evaluation. If it is a feasible opportunity, a project manager is assigned, and a work group is created to investigate the opportunity.

Opportunity	Description	Potential Impact (Business, Strategy & Financial Planning)	Opportunity in Action & Future Considerations
<p>Operations Resource Efficiency - Continued</p>	<p>Digital Transformation – SECURE is currently working on the digitization of all acceptance documentation coming into SECURE to reduce the amount of paper and printing necessary for day-to-day operations.</p> <p>Energy Efficiency – SECURE is implementing operational efficiency best practices across our organization, including economically effective solutions for key processes and systems that will decrease energy intensity across our operations. SECURE is also empowering our employees to reduce facility emissions through our ESG ID Opportunity program where employees submit ESG-related ideas for evaluation and potential implementation in the organization. Successful ESG-IDs are developed into best practices to facilitate corporate knowledge transfer.</p> <p>Energy Intensity Reduction – Pursuing energy intensity reduction initiatives to reduce our overall electricity consumption including the utilization of instrumentation and measurement equipment to gain meaningful insights of our electricity consumption and responding through implementation of operational changes. In 2021, SECURE saw the benefits of the program's implementation with an average of 2% energy intensity savings at those facilities implementing the best practice.</p> <p>Renewable Energy Projects – SECURE is evaluating the potential to repurpose closed and suspended sites for conversion to small renewable energy projects. In addition, SECURE is investigating the use of small-scale renewable infrastructure, like the use of solar panels to power our instrumentation, to reduce our use of energy supplied from the grid.</p>		<p>In 2022, 111 ESG IDs were submitted with 57% of the environmental themed IDs targeting emission reduction. Progress on initiatives and knowledge sharing are part of monthly and quarterly meetings.</p>

Scenario Analysis

SECURE is committed to reducing our emissions and understand that conducting a climate-related scenario of 2°C or lower analysis is an important step to take to better understand the impact of our operations on climate change given differing time horizons, focus on specific climate-related risks and opportunities, and hone our future emission reduction strategy. SECURE is committed to evaluating a climate-related scenario analysis, including a 2°C or lower scenario.

Risk Management

SECURE's Board of Directors is responsible for oversight of the organization's annual strategic plan which considers, among other things, the opportunities and risks of SECURE's business and monitoring performance against the plan. In addition, the Board works with leadership on an ongoing basis to identify the principal risks of SECURE's business and ensuring the implementation of appropriate enterprise risk management and mitigation systems; adopting policies and processes to identify business risks; addressing what risks are acceptable to SECURE and ensuring that systems and actions are put in place to manage them. SECURE is conducting a refreshed materiality assessment with a more consolidated focus on climate-related risks and opportunities. Results from the materiality assessment will inform SECURE on what is of importance to our stakeholders and risks that exist.

Specific to climate-related risks, the Board, in consultation with the ESG Committee, has the responsibility to oversee ESG issues that impact the organization, including monitoring management systems and processes relating to the identification, assessment and management of climate-related risks. Under SECURE's refreshed materiality assessment, ESG business-related risk will be integrated into SECURE's corporate enterprise risk management processes. The Senior Leadership Team reports to the ESG Committee on SECURE's climate-related performance on a quarterly basis.

Each business segment throughout the organization is responsible for continuously identifying, assessing and managing risks within

their respective areas. An example of this is the Asset Integrity Program in the Environmental Waste Processing Business. Asset Integrity is material to SECURE due to the asset-based nature of these operations and proactively managing our assets to limit the number of leaks is paramount in protecting our stakeholders and the environment and demonstrating our efforts to manage climate-related risk. Our integrity management programs, including the associated systems, processes, analysis and documentation, are designed and implemented to ensure proactive management of our environmental waste management infrastructure, and to meet or exceed regulatory requirements, resulting in world class safety, reliability and longevity throughout an asset's lifecycle.



Metrics and Targets

SECURE currently focuses on climate-related targets. To formalize our goal of minimizing our impact on the environment and climate change, short and long-term targets were created to achieve meaningful change on the path to a lower emission future. A lower emission future is important to SECURE, our customers and all our stakeholders. Our actions to decrease GHG emissions in our operations and for our customers will help mitigate the impacts of climate change. Our path to achieving net-zero greenhouse gas emissions by 2050 (on page 10) provides the framework for our climate strategy. To reach our ultimate goal we set short, medium and long-term milestones that align with the path.



SECURE currently has the following emission reduction targets in place to measure our progress in reducing climate-related risks:

- Long-term target: Achieving net-zero GHG emissions by 2050
- Short-term target of reducing GHG emission intensity by 15% by the end of 2024

The table below provides a summary of our progress with respect to emission performance over the past two years.

Scope 1 & 2 Emissions	Unit	2022	2021 ¹
Scope 1 - Direct Emissions	tCO ₂ e	120,726	116,713
Waste Processing	tCO ₂ e	83,126	83,833
Environmental Solutions and Oilfield Services	tCO ₂ e	37,600	32,879
Scope 2 - Electricity	tCO ₂ e	117,470	107,785
Scope 1 and Scope 2 Emissions	tCO ₂ e	238,196	224,498

¹On July 2, 2021, SECURE and Tervita merged; data shown reflects the combined company and scale-up of operations

Scope 1 & 2 Emissions Intensity (kg CO ₂ e/unit received or shipped)	2022	2021
Metals	28.4	29.4
Landfills	1.8	2.1
Waste Processing Infrastructure	9.2	10.2
Corporate ²	9.6	10.4

²Scope 1 and 2 intensity is calculated only for Waste Processing Infrastructure, Landfills, and Metal Recycling business units. SECURE continues to work on establishing appropriate intensity metrics for other lines of business.

To learn more about SECURE's specific emission reduction initiatives, please refer to [SECURE's 2022 Sustainability Report - Climate Strategy](#).

SECURE's progress on emission reduction targets will be updated with the release of its annual Sustainability report in Q2 2023. Results provided for Environmental Solutions and Oilfield Services are provided based on data available. As we improve our data capture systems and data quality, numbers may change or be restated.

Focus Areas in Reducing Emissions

As SECURE strives to reduce our GHG emissions, we are focusing on the following areas to make the largest impact:

Reducing Scope 1 Emissions

Environmental Waste Management Infrastructure

- Investigating new technologies and application of existing technologies to find opportunities to reduce fugitive emissions at our Waste Processing facilities.
- Utilization of instrumentation and measurement equipment to garner a better understanding of our natural gas consumption.
- Leveraging our existing infrastructure and expertise to explore carbon capture and sequestration and hydrogen opportunities.

Fleet

- Monitoring and evaluating our heavy equipment and transport fleets to identify opportunities to reduce fuel consumption.
- Lowering the carbon intensity of our fleet through the use of lower carbon intensity fuels (for example compressed natural gas (CNG), renewable natural gas ((RNG), biofuels) and/or transitioning to alternate fuel vehicles (hybrid, hydrogen, electric).

Energy Efficiency

- Setting meaningful emission reduction goals based on baseline data.
- Implementing operational efficiency best practices across our organization.
- Seeking economically effective solutions for key processes and systems that will decrease energy intensity across our operations.
- Empowering our employees to reduce facility emissions through the ESG ID Opportunity program.

Carbon Offsets

- Create carbon offset strategy for Scope 1 emissions that are difficult to abate.

Reducing Scope 2 Emissions

- Seeking opportunities to purchase lower carbon intensity electricity where viable.
- Pursuing energy intensity reduction initiatives to reduce our overall electricity consumption.
- Utilization of instrumentation and measurement equipment to gain meaningful insights of our electricity consumption and responding through implementation of operational changes.
- Evaluating the potential to repurpose closed

and suspended sites for conversion to small renewable energy projects.

- Investigating the use of small-scale renewable infrastructure, like the use of solar panels to power our instrumentation, to reduce our use of energy supplied from the grid.

Reducing Scope 3 Emissions

- Monitor ESG framework requirements and investigate the potential to quantify Scope 3 emissions.



Advisories

Forward-looking Statements

Certain statements contained in this report constitute “forward-looking statements” and/or “forward-looking information” within the meaning of applicable securities laws (collectively referred to as “forward-looking statements”). When used in this report, the words “may”, “would”, “could”, “should”, “will”, “intend”, “plan”, “anticipate”, “believe”, “estimate”, “expect”, “continue”, “maintain”, “target”, “prioritize”, “focus”, “future”, “ongoing”, “remain”, “opportunity”, “strive”, “progress”, “goal”, “commit”, “vision” and similar expressions, as they relate to SECURE or its management, are intended to identify forward-looking statements. Such statements reflect the current views of SECURE with respect to future events and operating performance and speak only as of the date of this report. In particular, this report contains or implies forward-looking statements pertaining to: SECURE’s commitment to, and prioritization of, climate-related action and addressing climate change and related risks; SECURE’s evolving climate-related reporting; SECURE’s ESG and climate-related goals, including net zero GHG emissions by 2050 and reducing GHG emission intensity by 15% by the end of 2024, and its position and ability to achieve such targets; SECURE’s ability to achieve meaningful change towards lower emissions; SECURE’s ability to help its clients achieve their ESG and climate-related goals; enhancing SECURE’s governance framework; SECURE’s ESG oversight practices, at both Board and management levels, including risk identification and management; the importance of, and risks associated with, energy reliability and affordability; SECURE’s updated vision and purpose; SECURE’s business strategy and the integration of ESG therein; the strategies and timelines to achieve SECURE’s priorities, targets and goals; the importance of low hydrocarbon fuels to the energy transition; continued demand for hydrocarbons and its effect on SECURE; SECURE’s Climate Action Plan; SECURE’s path to achieve net zero emissions by 2050, including its interim goals and initiatives, and the addition of a climate-related scenario thereto to enable the integration of climate specific elements into SECURE’s annual goal setting; SECURE’s ability to minimize environmental impact while creating value for its customers; SECURE’s ability to support the sustainable production of the lowest emission barrel possible; SECURE’s position to participate and contribute to the energy transition and contribute to Canada’s net-zero goals; SECURE’s refreshed materiality assessment and the results and impacts thereof; investments in technology to further ESG-related goals and targets; SECURE’s initiatives and their environmental and energy saving impacts; SECURE’s evaluation and execution of ESG related projects and the effects thereof; climate-related and energy transition risks and opportunities and SECURE’s re-evaluation thereof; climate-related risks including transitional, physical, market, financial, reputational and regulatory risks and the impacts on SECURE should any such risks materialize and SECURE’s risk mitigation activities; the anticipated climate-related impacts and opportunities available to SECURE, including emission reduction technologies, industry and service diversification, carbon credit opportunities and operational efficiencies; the type, nature, timing, likelihood and financial impact of the materialization of any of the identified risks or opportunities; SECURE’s emission reductions goals and strategies to achieve them; the design, implementation and results of SECURE’s integrity management systems; SECURE’s focus areas in reducing Scope 1, 2 and 3 emissions; the impact of SECURE’s, and its customers’, actions to decrease emissions; and updates to SECURE’s progress towards its emission reduction targets.

Forward-looking statements are based upon certain assumptions that SECURE has made in respect thereto as at the date of this report regarding, among other things: economic and operating conditions, including commodity prices, crude oil and natural gas storage levels, interest rates, exchange rates and inflation; a transition to alternative energy sources; the effect of the COVID-19 pandemic (including its variants) and other international or global events, and governmental responses thereto on economic conditions, commodity prices and SECURE’s business and operations; the demand for our services; capital markets; the governmental, regulatory and legal environment; our business and the impact of environmental and climate-related matters thereon; SECURE’s ability to access external sources of debt and equity capital; SECURE’s ability to obtain and retain qualified personnel (including those with specialized skills or knowledge), technology and equipment in a timely and cost-efficient manner; SECURE’s ability to achieve its ESG and sustainability targets and goals and the costs associated therewith; SECURE’s ability to invest in and integrate technology to achieve our targets, the cost thereof and the return thereon; the viability, economic or otherwise, of such technology; the cost of compliance with and changes in legislation and the regulatory and taxation environment, including with respect to targets for reductions of emissions; SECURE’s available financial and human resources; SECURE’s ability to execute its current or future business strategy; and the likelihood, timing and financial impact of certain events.

Forward-looking statements involve significant known and unknown risks and uncertainties, should not be read as guarantees of future performance or results, and will not necessarily be accurate indications of whether such results will be achieved. Readers are cautioned not to place undue reliance on these statements as a number of risks and uncertainties could cause actual results to differ materially from the results discussed in these forward-looking statements including, but not limited to: general global financial conditions; risks inherent in SECURE’s operations; volatility in market prices for oil and natural gas and the effect of this volatility on the demand for oilfield services generally; a transition to alternative energy sources; the cost of compliance with and changes in legislation and the regulatory and taxation environment, including with respect to targets for reductions of emissions; SECURE’s ability to achieve its ESG and sustainability targets and goals and the costs associated therewith; SECURE’s ability to invest in and integrate technology to achieve our targets; the viability, economic or otherwise, of such technology; SECURE’s ability to execute its current or future business strategy; and climate-related risks including transitional, physical, market, financial, reputational and regulatory risks; other risks described in this report; and risks described under the headings “Business Risks” in our current management’s discussion and analysis and “Risk Factors” in our current AIF, in each case as filed on SEDAR at www.sedar.com. Readers should refer to “Forward-looking Statements” included in such documents.

Although forward-looking statements contained in this report are based upon what SECURE believes are reasonable assumptions, SECURE cannot assure investors that actual results will be consistent with these forward-looking statements. The forward-looking statements in this document are expressly qualified by this cautionary statement. Unless otherwise required by law, SECURE does not intend, or assume any obligation, to update these forward-looking statements.