



FORCED LABOUR AND CHILD LABOUR REPORT

2023

Introduction

Enfinite Infrastructure Group Inc. (“Enfinite”) is a Canadian focused energy storage and power generation asset owner and operator, delivering critical energy solutions. While our operations are Canadian based, we recognize the risks that exist within our operation regarding forced labour and child labour.

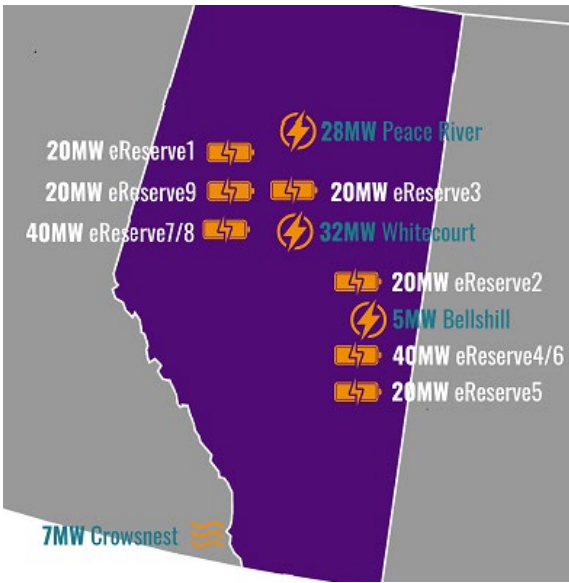
This report (the “Report”) outlines Enfinite’s defined processes, implemented measures, and effectiveness for 2023 as it pertains to the prevention and mitigation of forced labour and child labour in its operations.

Reporting Entities

Enfinite is an Alberta incorporated entity, which is subject to report under the requirements of Section 11 of the *Fighting Against Forced Labour and Child Labour in Supply Chains Act* (the “Act”). The Report is made pursuant to the requirement in the Act.

The reporting entities captured in this Report include Enfinite and all of its wholly owned subsidiaries which operated for the period of January 1 to December 31, 2023.

The Report is a joint report filed by Enfinite Infrastructure Group Inc., on behalf of itself and the following subsidiaries: 2569059 Alberta Inc., Enfinite LP, Enfinite Corp., Enfinite Ontario 1 Corp., Enfinite Ontario 1 LP, Enfinite eCacheNB Corp., Enfinite Generation Corp., Enfinite Generation LP, Enfinite Alberta LP, WCSB Shaunavon GP Inc., WCSB Shaunavon LP, Enfinite BC Corp., and Enfinite BC LP.



Operating Assets as of December 2023

Structure, Activities, and Supply Chains

Business Structure

Enfinite is the sole parent company of the entities covered in the Report, with its head office located in Calgary, Alberta, Canada. Enfinite is wholly owned and privately held, with 23 employees at the end of the reporting period.

Enfinite's core business focuses on the development, construction, and operation of power generation and battery energy storage systems ("BESS") within Canada and focused within Alberta. While Enfinite's business operations does not have the production, selling, or distributing of goods in Canada, its supply chain does have one key vendor whose goods are imported from the United States of America for the construction of the BESS facilities.

Supply Chain

Enfinite's supply chain is managed out of its head office, with a focus on procuring goods and services from within Canada to support its construction and operational activities. When tendering vendors, focus is made on procuring services locally and for vendors that can meet Enfinite's corporate requirements as outlined in its terms and conditions. For larger procurements, requests for qualifications are held prior to the issuance of a request for proposal.

In 2023, 100% of the goods imported from outside of Canada originated from the United States of America. The imported goods were BESS units, to support the development of Enfinite's BESS facilities within Alberta.

When reviewing vendors, consideration is given to the risk around forced labour or child labour within this vendor's supply chain. If risk factors are identified that suggest that risks around forced labour or child labour are present, further due diligence is conducted to properly assess the risk before proceeding with the vendor. As almost all of Enfinite's vendors are concentrated within Canada, our risk reviews also consider if raw materials are procured from outside of Canada where forced labour or child labour may be present.

Policies and Due Diligence Processes

Governance

Enfinite's Board of Directors (the "Board"), along with input from Management, provide governance oversight of Enfinite's strategic objectives, implementation of ESG mandates, and operating effectiveness of its risk management program. Reporting is provided to the Board on business risks,

intending to inform and initiate discussion around key risks. The risk management program reporting considers forced labour and child labour, which is captured within Enfinite's ESG purview.

The Board of Directors has an established Risk & Governance committee, which is responsible for guiding governance processes around key risks. This includes review of management assessment and mitigation strategies around key risks and reporting on implications of key risks to the Board of Directors.

Policies and Frameworks

Enfinite's employee Code of Conduct outlines the requirements and expectations of all our employees, which outlines the expectations of how we engage in business with each other and the populations that Enfinite may interact with directly or indirectly. When instances or practices within the business are identified that pose risk to conducting business in an ethical manner, all employees are encouraged to immediately notify their direct manager to mitigate potential instances of behaviours that are misaligned with Enfinite's corporate ethics.

Any instances of potential ethical breaches are reviewed by the appropriate level of management and reported within the risk management structure of Enfinite, which are then communicated appropriately in the previously outlined governance structure.

Outlining the expected conduct of Enfinite and its counterparties as it relates to acceptable ethical conduct is considered in the proactive development of its supply chain and vendor acceptance procedures. Enfinite has aligned with certain United Nations sustainable development goals ("UN SDG"), which includes UN SDG Goal 8 as evidenced in our 2023 ESG Report. UN SDG Goal 8 is considered in procurements or supply chain activities where the risk of forced labour or child labour may be a factor.

In instances where Enfinite's employees may be concerned of a violation of our corporate conduct or policies and are not comfortable with reporting directly within the company, a dedicated Whistleblower communication line is available. All current staff are made aware of the Whistleblower Policy and new employees are made aware upon onboarding. The Whistleblower Policy provides a direct line of communication to a dedicated contact on our Board of Directors for violations of our policies and frameworks, on an anonymous and non-recourse basis.

Identifying and Addressing Forced Labour and Child Labour Risk Exposure

Enfinite's operations are within British Columbia and Alberta, which allows for close risk management oversight of our operations. Our greatest risk exposure lies within our supply chain, as key components of our operating assets may fall within the global supply chain and create additional risk in ethical procurement.

As an organization that does not have dedicated supply chain management professionals, we understand the importance of mitigating risk exposures through measured procurement approaches. When assessing risks in our supply chain, consideration is given as to where materials may be sourced from by potential suppliers to mitigate potential exposure risks of forced labour or child labour being involved within their supply chain. If these risks may be present, potential vendors are asked to represent that their practices align with Enfinite's ethical practices and that their direct supply chain is being assessed in line with our standards practices, at a minimum.

When labour risks are identified as potentially present, Management is made aware of these risks and will assess before entering into agreements where non-ethical labour practices may be present. Additionally, suppliers with potential labour risk factors have been identified to ensure alignment with Enfinite's commitment to UN SDG Goal 8.

Reviewing our supply chain, BESS procurements were identified as the highest potential labour risk exposure to Enfinite. While the information within this section represents the current known and identified labour risks, it may be subject to change and development as Enfinite's business matures and further assessments are completed. We continue to monitor labour risks with our current vendors and conduct due diligence with potential new vendors, in addition to developing more mature frameworks to better understand and effectively mitigate labour risks within our business structures.

Remediation Measures

For the risks of forced labour or child labour within Enfinite's scope of operations and supply chain, emphasis is placed upon identification and understanding of potential risks with suppliers. As no evidence of forced labour or child labour was identified, Enfinite did not take any remediation measures in 2023.

Training and Awareness

Direct training for forced labour and child labour was not rolled by Enfinite in 2023, but Management was provided information regarding the situations and factors that may indicated risks may exist. As a smaller entity, control of decision remains central with several key management members of Enfinite. To ensure proactive risk measures are in place, involvement of employees in our supply chain process are made aware of risk factors to be aware of. As our operations grow, training and awareness programs will be expanded to match the risk exposures faced to the business as it pertains to forced labour and child labour.

Assessing Effectiveness

Enfinite is committed to continued process improvement within its supply chain in an ethical manner. For 2023, risks around forced labour and child labour risks were integrated into risk management programs, which is internally assessed on a monthly basis and reported on quarterly to our Board of Directors.

As our operations scale, Enfinite understands the importance of developing programs and training around forced labour and child labour that scale in parallel to our corporate footprint. People and Collaboration are two of the six core values of Enfinite, which can be directly impacted by our supply chain processes. Ensuring our core values are upheld with directly align with continued development of our forced labour and child labour measures.

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 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 have the authority to bind Enfinite Infrastructure Group Inc.

A handwritten signature in black ink, appearing to read 'J White', written in a cursive style.

Jason White
CEO

Date: May 30, 2024