



2024

ENVIRONMENTAL, SOCIAL, AND
GOVERNANCE REPORT

OUR TEAM STRATEGY

Kings Energy Services is pleased to present our Environmental, Social, and Corporate Governance (ESG) report for 2024. This report reflects our commitment to sustainability and responsible business practices. At Kings Energy, we believe that by integrating ESG considerations into our operations, we can create long-term value for our clients, contribute to the well-being of our employees and communities, while helping protect the environment. Our ESG initiatives are aligned with our vision to be a leader in the energy industry while promoting sustainability and social responsibility. We recognize that addressing environmental and social challenges is not only crucial for our business, but also for the overall betterment of society. Through this report, we aim to transparently communicate our progress, achievements, and future goals in these areas.



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Message from CEO

In 2024, we continue to uphold our high standards in environmental stewardship, social responsibility, and corporate governance, and have also set new benchmarks that reflect our evolving commitment to sustainable growth. Our dedication to integrating ESG principles into every facet of our operations has enabled us to innovate and lead with purpose, ensuring a positive impact on both the communities we serve and the environment.





Growth, Opportunity, Excellence & Sustainability

Our Commitment

Kings Energy Services will employ practical measures to protect the environment. We will conserve and protect the water, air, and land resources we use. We will strive to eliminate any releases to land, air or water that may harm human health or the environment. Continuous improvement in our environmental performance will be our commitment. We will create procedures that will comply with federal, provincial and municipal regulations. We will provide training to our workers to ensure our workers are aware of and can follow these procedures.

About Kings Energy Services



Kings Energy Services Ltd. is a well-established Canadian company specializing in valve, manufacturing, electrical, instrumentation, controls and equipment services. With an extensive range of high-quality products available through distribution and our in-house manufacturing. Over the past four and a half decades, Kings Energy has shown remarkable expansion, growing to encompass eight facilities across Canada and employing a team of over 100 dedicated professionals. This growth underscores our long-standing commitment to excellence and reliability in serving a wide array of industry's worldwide.

Our Certifications

We work hard at Kings Energy Services to provide top quality products and services and we maintain these results through the implementation of API Q1 and ISO 9001:2015 certifications. These continuous improvement programs highlight Kings Energy Services' dedication to providing our clients with the best solutions possible

General Certifications

- ASME B16.34 design code
- CRN to ASME B16.34
- Compliance to ASME B31.3, CSA Z245.15
- ASVS-50 Quality Management Systems

On-site Specific Certifications

- API Q1
- API 6D
- ISO 9001:2015
- AQP -1536
- TSSA QA 05696



Our Core Values



TRUST

Absolute confidence
in our team members

ACCOUNTABILITY

Provide solutions,
not problems

COMMITMENT

Driving high results
through quality & safety

TEAMWORK

Positive collaboration
approach to solutions

ESG At A Glance

At Kings Energy Services, we are committed to implementing and improving our environmental, social and governance (“ESG”) practices. We believe in maintaining a safe environment for our teams, families and the communities that surround us.



ENVIRONMENT

Kings Energy Services is committed to providing all workers, contractors and customers with a safe environment in which to work or conduct business with. We are committed to minimizing the environmental impacts that our business may have in the areas in which we operate. We strive to meet or exceed all applicable federal, provincial and municipal legislation and regulations regarding environment, health and safety in the specific areas that we work.



SOCIAL

Kings Energy Services is committed to protecting and maintaining the health and safety of all our Employees including Physical, Psychological and Social Well-being. As well as the environment in which we operate.



GOVERNANCE

Kings Energy Services is committed to adhering to corporate governance practices that meet or exceed industry standards. Having good corporate governance is important to our families, our clients, our communities and to all of us at Kings Energy Services.

2023 Highlights

Diversity & Inclusion

- 82** Average Number of Team Members
- 16%** Female Team Members
- 15%** Identify as Visible Minority*

*The term “visible minority” is used in statistics to designate racialized (non-white) and non-Indigenous people, as defined by Canadian law.

ENVIRONMENT

Environment At A Glance

Environmental stewardship lies at the heart of Kings Energy Services operations. We are committed to minimizing the environmental impact that our business may have in the areas in which we operate. We strive to meet or exceed all applicable federal, provincial and municipal legislation and regulations regarding environment, health and safety in the specific areas that we work.



Our Environmental Impact

At Kings Energy Services we strive to limit our environmental impact by implementing the following strategies amongst our facilities



Environmental Levy

To mitigate the ecological footprint of our operations through the implementation of a levy that is dedicated to supporting the safe disposal of hazardous waste and materials. This levy will also be used to implement sustainable practices, invest in renewable energy sources, and undertake projects aimed at reducing our carbon footprint.



Paperless Initiatives

To reduce waste and resource consumption across all operational and administrative activities. Our team commits to utilize digital solutions for internal communications, client interactions, and document management. Implement E-signatures, digital forms, and online reporting systems to eliminate the need for paper-based processes. This initiative will include the implementation of a new Safety system app and field ticketing app.



Use eco-friendly materials

Kings Energy Services is integrating water-based paints into our processes where applicable, offering a less harmful alternative to solvent-based paints. This initiative forms part of our broader commitment to using eco-friendly materials. We are dedicated to continuously assessing the feasibility of expanding the use of water-based paints and other sustainable materials in our projects.

Environmental Management

At Kings Energy Services, our Environmental Levy is a pivotal component of our Environmental Impact strategy, enabling us to fund initiatives that directly reduce our environmental footprint. This approach ensures we not only comply with environmental standards but also proactively contribute to sustainability goals alongside our clients.

Environmental Levy

Kings Energy Services has implemented an environmental levy into our systems. This levy will be dedicated to supporting the safe disposal of hazardous waste and materials. We understand that this levy will slightly add to the cost of your services, however, it represents a very small percentage of the final price incurred. We firmly believe that these efforts are crucial for a sustainable future, and we are proud to play our part in protecting the environment.

We understand that this new levy may raise questions and concerns, and we want to assure you that we have taken these factors into account. We have thoroughly analyzed various options and believe that implementing this levy is the most responsible approach to addressing the environmental impact of our operations. We aim to provide full visibility of the contribution being made toward environmental sustainability. We are committed to ensuring that the levy is utilized effectively and that all can witness the positive impact it will have.

We understand that introducing any new levy may be met with mixed reactions, but strongly believe that by working together, we can make a tangible difference.



Energy & Emissions Management

At Kings Energy Services we emphasize product innovation that prioritizes environmental benefits. Through continuous research and development, we aim to deliver solutions that reduce energy consumption, enhance efficiency, and contribute to a more sustainable future for the industries we serve. We believe that companies have the opportunity to provide products and services, which will increase efficiencies and system integrity while reducing down-time, product spillage, and gas emissions. Proper product selection along with product knowledge is extremely important. Mitigating one’s risk of environmental impact can be as simple as implementing the right product. Some products we provide that may help lower your chances of leaving a negative imprint on the environment include:



This ESD Valve provides complete line protection of high-pressure overloads and/or loss of fluids in the case of a line rupture. With the Saf-t-Matic being completely self-contained it is a great product for site safety and lower environmental impacts.



AS Schneider Taurus double block and bleed valves are beneficial for preventing leakages or mixing of fluids with critical components. These valves are ideal for use in environments where there is a need to handle and manage toxic waste and other dangerous chemicals.



The Focus 2.0 flare gas optical flow meter (OFM) utilizes state-of-the-art technology. Focus 2.0 OFM uses precise lasers to measure the gas flow by sensing the velocity of microscopic particulates naturally occurring in gas. Measuring your company’s emissions proves to be an effective way to be aware and reduce your companies carbon footprint.



MONKEY PUMPS

Monkey Pumps Chemical Injection Pumps are designed to improve well production, pipeline flow, and reduce corrosion.



The Rupture Pin is a relief valve that will save you time, operational expenses, and eliminate environmental concerns. The Rupture Pin valve relieves pressure at a specific set point with predetermined accuracy and dependability. Each valve is self-contained and self-actuating.

Products are not the only player when it comes to improving a company’s environmental impact. Servicing also plays a big role. With regular maintenance and proper monitoring, you can lower your risk of products causing damage to the environment they are in.

Our Focus is to continue to provide environmentally friendly solutions

Land, Water & Waste

Whenever possible we will work to prevent waste and pollution at the source. We will make efforts in our operations to use processes designed to minimize the environmental impacts of our operations.

Any Spills are to be reported and investigated on Kings Energy Services EHSMS-7.0 F4 Spill Response form

Number of Reported/Investigated Spills

2021	2022	2023
0	0	0

Spill Prevention and Response

All Kings Energy Services team members are trained on Spill prevention and response procedure. When hazardous waste or hazardous recyclables are released into the environment, there is the potential for immediate and significant adverse effect. A spill is the discharge of a pollutant into the natural environment from a structure, vehicle or other container.

The safety and protection of the Environment is of primary concern. The following is expected by employees to contain and report all spills:

- All chemicals, oils lubricants and solvents are to remain in their original containers and stored in such a way as to minimize any potential for a spill.
- Kings Energy Services will ensure that spill response materials or spill kits are readily available.
- The contents of spill kits will be periodically inspected to ensure that they are adequate.

Tree Planting Initiative

At Kings Energy Services, we recognize the urgent need to address environmental challenges and embrace sustainable practices. As part of our ongoing commitment to environmental stewardship, we are excited to introduce our tree planting initiative.

Trees play a vital role in mitigating climate change, enhancing air quality, conserving water, and preserving biodiversity. With this understanding, our dedicated team at Kings Energy Services is enthusiastic about contributing to a greener future by planting trees.

Through this initiative, we aim to make a positive impact on the environment and demonstrate our commitment to sustainability. By planting trees, we are actively engaging in the restoration and conservation of natural ecosystems. This endeavor aligns with our broader environmental objectives, including reducing our carbon footprint and promoting sustainable practices throughout our operations.

We will collaborate with local environmental organizations and communities to identify suitable planting sites and tree species that align with the unique ecological needs of each region. Our dedicated team members will actively participate in tree planting events, ensuring that we collectively contribute to the reforestation efforts.

SOCIAL

Social At A Glance

At Kings Energy, we recognize that our success is driven by our people and the communities in which we operate. We are dedicated to fostering a diverse, inclusive, and safe workplace while actively engaging with our team members. Key social initiatives include:



Community Engagement



Health & Safety



Talent Development

Community Engagement

At Kings Energy Services we believe in actively engaging with the communities in which we operate, seeking to understand their needs and contribute to their development. We support local initiatives, participate in charitable programs, and encourage our employees to volunteer their time and expertise to make a positive social impact.



Kings in the Community

Our Kings in the Community program provides opportunities for employees to support the causes important to them through volunteering, sponsorships, donations, and community support initiatives.

Community Initiatives

The following are examples of some of the Kings in the community initiatives our team has had the opportunity to support :

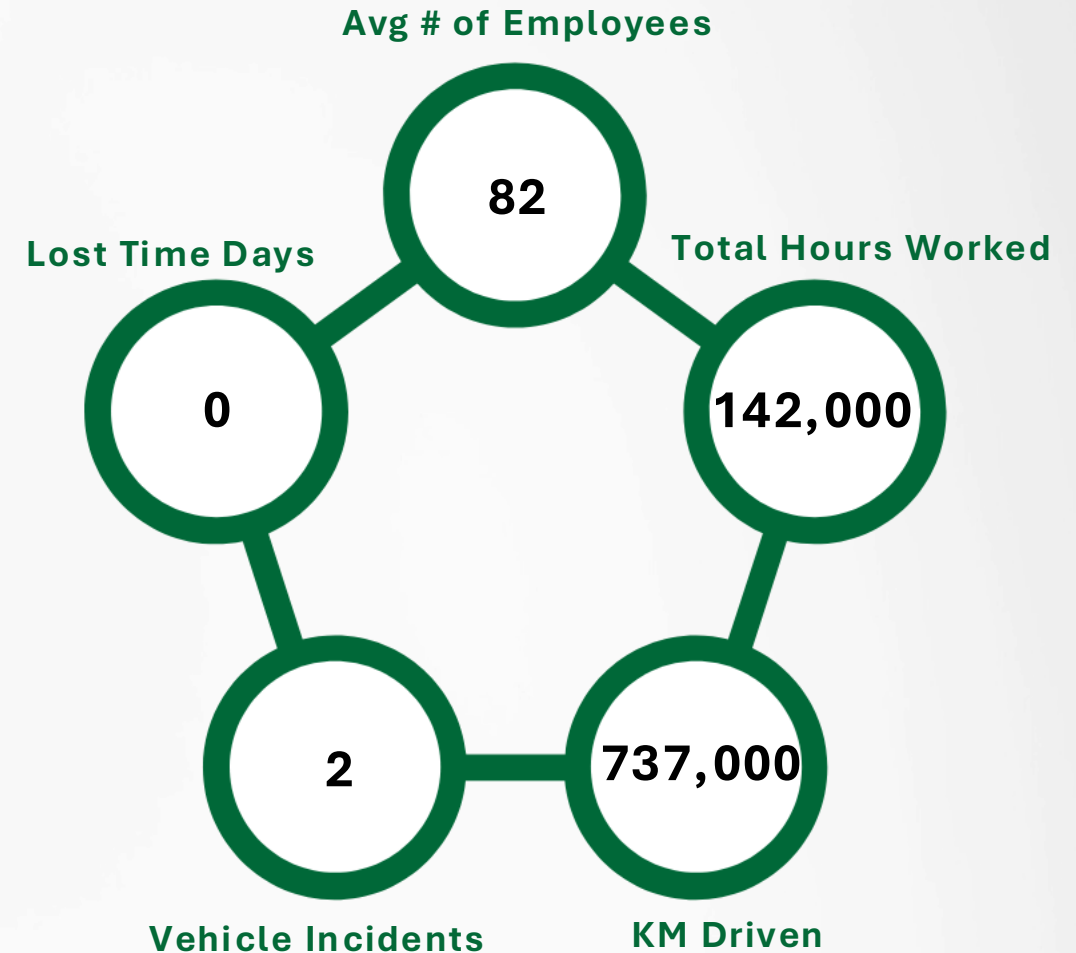


Kings Energy Services team members fundraised over **\$2500** and donated over **\$39,000** towards community initiatives in 2023

Health & Safety

At Kings Energy Services we prioritize the health and safety of our employees, contractors, and the communities we serve. We maintain robust safety protocols, provide regular training, and promote a culture of safety awareness throughout our organization. Our goal is to ensure that every employee returns home safely at the end of each day.

We aim to continuously improve our tracking and reporting while implementing additional policies and procedures where applicable.





Team Development



First Aid/CPR/AED Level C

We invest in the professional growth and development of our employees, providing them with ample opportunities for learning, skill enhancement, and career progression. We believe that a well-trained and motivated workforce is crucial to our long-term success.

Training examples include but are not limited to:

- ✓ Safety specific training such as First Aid or Hazard Identification
- ✓ Proper use and maintenance of equipment
- ✓ Any applicable process, procedure, or document / record in the Quality Management System as defined in the QMS Training Matrix
- ✓ Any cross training between positions to ensure that position requirements can be satisfied by more than one person

Training comes in many different forms. Department Heads will use one or more of the following methods to ensure training is completed:

- ✓ On the job training by demonstrating a method or technique
- ✓ Verbal review of policy, processes, procedures, or instructions
- ✓ Formal classroom training, either at or away from a King's Energy Services facility
- ✓ Mentoring new hires towards an increased competency level



Employee Development

Kings Energy Services rolled out a new Training Program in 2023 and is committed to investing in the development of our team members through internal and external training.

CORPORATE GOVERNANCE

Corporate Governance At A Glance

At Kings Energy, we are committed to maintaining the highest standards of corporate governance. We believe that strong governance practices foster transparency, accountability, and long-term value creation. Key corporate governance initiatives include:

Compliance and Reporting

Risk Management



Code of Business Conduct



Risk Management

By adopting a formalized risk management framework to identify, assess, and mitigate risks that may impact our operations and reputation. King’s Energy Services will perform risk assessment to the consideration of severity, risk detection methods, and probability of occurrence. Risk assessments associated with product and services quality and associated delivery will be considered. The Preventive Action process is performed using the Risk Assessment procedure and is used to identify and prevent potential internal and supply chain nonconformities.

As a minimum, assessments will be performed for risks associated with:

- ✔ facility/equipment availability and maintenance, including condition of equipment
- ✔ supplier performance and material availability/supply, including their supply chain controls
- ✔ delivery of nonconforming service or service-related product to the customer
- ✔ availability of competent personnel

Number of Risk Assessments

2023	
Green/Yellow	Red
17	7

The Risk Assessment will determine the probability, severity, and a description of the risk and how the risk relates to personnel, equipment, environment, public image, and customer satisfaction, as required.

Green and **Yellow** Risks – Risk assessments will be controlled (mitigated) when they are determined to have a potential LCM Value of 1 – 10. Controls will be listed on the QF14.2 Issues, Interest, and Improvement Matrix.

Red Risks - Risk assessments will be controlled (mitigated) when they are determined to have a potential LCM Value greater than 10. Controls will be listed on the Issues, Interest, and Improvement Matrix. A Contingency Plan will be completed detailing the alternative plan (the Plan B).

Compliance & Reporting

At Kings Energy Services, our commitment lies in strict adherence to all regulatory and legal obligations. We maintain a diligent monitoring process to ensure that our operations consistently align with the directives set forth by regulatory authorities. Our operations has and will continue to successfully stand by the following standards:

- **ISO 9001:2015** Quality Management System Requirements
- **API Q1** Specifications for Quality Programs for the Petroleum and Natural Gas Industry
- **API 6D** Specification for Pipeline and Piping Valves
- **ABSA (Alberta Boilers Safety Association)** is the pressure equipment safety authority for Alberta.
- **CAOEC (Canadian Association of Energy Contractors)** represents Canada's energy service contractors operating close to the wellhead.
- **TSSA (The Technical Standards and Safety Authority)** promotes and enforces public safety for Ontario.
- **Technical Safety BC** oversees the safe installation and operation of technical systems and equipment across British Columbia.
- **Certificate of Recognition (COR)** is awarded to employers who develop health and safety programs that meet established standards

In addition to the above standards our team commits to maintaining compliance with



Code of Business Conduct

Kings Energy Services upholds its commitment to conducting business with transparency and integrity. We have established a workplace culture built upon the pillars of trust, accountability, commitment, and teamwork. To ensure the highest ethical standards are maintained throughout our organization, we have implemented a robust **Code of Ethics Policy**. All members of our team are expected to be well-versed in this code and unwaveringly uphold its expectations.

Expectations

- ✔ All employees at Kings Energy Services will demonstrate a workplace built on trust, accountability, commitment, teamwork, and openness, both individually and collectively.
- ✔ Disclose any conflicts of interest as defined in a company, conflict of interest policy regarding their position at Kings Energy Services
- ✔ Report, and he says suspected violations of a company policy.
- ✔ Kings Energy Services will not be party to the intent or appearance of unethical or compromising practices in its business relationships.
- ✔ Violence, harassment or discrimination will not be tolerated.
- ✔ Improper use of company trading secrets will not be tolerated.
- ✔ Employee shall not use corporate assets or business relationships for personal use or gain.

Leadership Team



Jason King

Owner/Chairman



Scott Fraser

CEO



Clinton Todd

VP, Finance



Trevor Hunt

VP, Business Development
& Marketing



Patrick Hogan

VP, Operations

Conclusion

At Kings Energy Services Ltd, we remain steadfast in our commitment to ESG principles and the pursuit of sustainable business practices. By prioritizing environmental responsibility, fostering social well-being, and upholding strong corporate governance, we aim to create long-term value for our teams and contribute to a more sustainable future for the industries we serve.

This ESG report reflects our ongoing commitment to sustainability and responsible business practices. We are proud of the progress we have made thus far and remain dedicated to continuous improvement. By integrating ESG considerations into our strategies, we aim to contribute to a more sustainable future.



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