

SUSTAINABILITY REPORT
2017



Results Driven

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We present our information consistent with the internationally respected Global Reporting Initiative (GRI) for tracking of our economic, environmental and social indicators - page 14.

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01 Ketek Group

President's Statement

Ketek's first Sustainability Report reflects our accomplishments through the end of 2017. These accomplishments will guide and help sustain us on our journey through the 21st century.

Since our inception in 1979, we have gained valuable knowledge and skills from practical experiences with our clients. Our growth has been organic, through consolidation of our complimentary companies. We are *Results Driven* in that we provide quality products and services, both regionally and internationally.

Throughout our years, our employees have been our strength, with their dedication to excellence, safety and the management of risks – in all conditions – 365 days a year. Since every project is unique, our emphasis on adaptability empowers our project teams to fully meet the needs of our clients.

We recognize our responsibility to develop solutions for our clients in the oil and gas, mining, and municipal sectors. They require that equipment rentals, solid waste disposal and water management be done as efficiently and effectively as possible.

Ketek's products and services are structured to be Fit-for-Purpose, using the appropriate skills and best available technology for the completion of projects on time, on budget and on specification.

Our 2017 Sustainability Report presents the key performance indicators we use to monitor our progress as we balance the economic, environmental and social considerations needed for a successful future for our clients, our employees, the environment and all our other stakeholders in Western Canada and internationally.

We are committed to Ketek being an important participant in Canada's future through the responsible stewardship of all of our sustainability responsibilities.

Brad Abel, P.Geo
President, Ketek Group



Progressive Leadership

Ketek is governed by a five-member board which is committed to meeting high standards of corporate governance in all aspects of the corporation's business and affairs. The board and our entire management team believes that strong and effective leadership plays a crucial role in protecting the interests of all stakeholders, in maximizing product value offerings and in ensuring ethical business practices.

Our ongoing commitment to sustainability is reflected by senior management's oversight of all sustainability activities featured in this report. We regularly review our governance practices to ensure we are proactive in addressing changes to standards and regulations and in meeting industry best practices.

This approach has made sustainability part of our shared values with employees and the communities in which we operate.

“Our sustainability arises from strategic growth with proactive risk management in balance with innovative solutions for our many stakeholders.”

Matt Vriens
Executive
Vice President



Our Shared Values

At Ketek, sustainable practices provide a balanced platform in all aspects of our business, both for today and into the future. They encourage understanding of our stakeholders' interests and enable the sharing of our values on our path of continual improvement in all that we do. These values are expressed in our quality, health, safety and environmental stewardship handbooks. They are applied in everything we do for each of our clients.

Strength Through Branch Offices

Ketek's journey began in 1979 as an equipment rental company supplying equipment to the oilfields of Western Canada. Over the years, this business grew to become a one-stop source for equipment rental, water management and waste management solutions for the oilfield, mining and municipal sectors. Through consolidation of complimentary products and services, the company embraces multi-sector expertise.

With well-staffed branch offices in six communities, Ketek is able to meet the needs of clients throughout Western Canada and to provide service every hour of every day of the year. The branches are fully supported by equipment, personnel and resources from the head office in Edmonton. This gives Ketek the ability to deliver its capabilities over a broad geography, always driven by knowledgeable and experienced people.

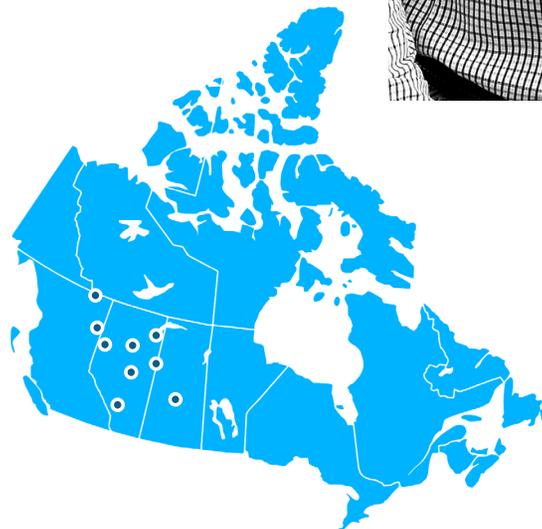


“Every branch fully represents all Ketek products and services with 24/7 response and commitment to local communities.”

*Darryl Stewart
Vice President
Operations*

KETEK NOW OPERATES WITH SIX BRANCHES ACROSS WESTERN CANADA. WE ALSO HAVE A SALES OFFICE IN CALGARY AND TWO YARDS

Edmonton, Fort McMurray, Grande Prairie, Cold Lake, Fort Nelson, Fort St. John, Wabasca, Saskatoon and Calgary.





“At one project in 2017, we pumped water 21 kilometres from source to drill site, for five months, without interruption.”

Rick L. Abel
Vice President

Oilfield Services

Ketek started with rentals to conventional drilling clients and soon after branched into the provision of services; but that was just the beginning. While we still do those things, we also now design, engineer and manufacture world-class, customizable equipment.

We have learned to serve the interests of clients across the entire oil and gas sector, but our services and our technology are also finding applications in other sectors, including construction and municipal work.

As a result, we now have a fleet of more than 8,000 pieces of rental equipment and a wide variety of skills from design and engineering through manufacturing, installation, maintenance and operation.

Our Journey





02 Economic

Embracing Change

As a private company, we rely on building positive business networks in the markets we serve and the local communities in which our employees live and work. We embrace change by taking the long-term view for investments in new technologies and by applying industry-leading practices. From time to time, Ketek has undertaken research and development projects in partnership with government institutions. Our growth has come from building our capabilities and expanding their application into new sectors. Our surface and subsurface expertise from

oilfield work, for instance, has wide application in municipal infrastructure projects.

We maintain business memberships within the communities we serve, supporting local economic development.

Our distributorships are an inherent part of our capacity to deliver solutions. Our manufacturing and maintenance divisions are certified to ISO 9001 Quality Management System Standard, ensuring quality across Ketek's business lines.

“Fit-for-Purpose is our standard for delivering surface and subsurface water projects in the oil and gas, infrastructure, industrial and mining sectors.”

*Robert Foster
Vice President
Industrial Services*





“Financial and IT management systems are the foundation for clients’ confidence in Ketek as a trusted partner in all that we do.”

Sharon Chester
Vice President
Finance

Ketek Around The World

Ketek’s equipment and services are marketed globally by seven international partners, giving the company important access to foreign markets.

Gujarat Enviroment Protection & Infrastructure Ltd. (GEPIL) - INDIA

Green Technology General Trading and Contractors Co. - KUWAIT

AWJ Energy LLC - Saudi Arabia

Energy Control AMG LTDA - Colombia

Gozah Libya EHS - Libya

BERG - USA

Spill Tech Pty Ltd. - Australia

Our Distributorships

Ketek is the official distributor throughout Western Canada for a number of products, including pumps, incinerators, light towers and aeration technology. We have used this equipment ourselves, and can attest to its qualities, ensuring that our clients can have confidence in the products they use.



Diesel pumps, for surface water transfers



Westland’s Cyclonator thermal oxidation units



Submersible pumps, for surface and subsurface water transfers



Vacuum Bubble technology for water treatment systems



Worksite equipment for flameless air heaters



Spill containment equipment



Low-cost, low-carbon stadium lights

03 Environment



Adherence to Ketek’s environmental stewardship requirements enables delivery of our products and services fully compliant to client standards and applicable regulatory requirements for water, land and air quality. These are also reflected collectively in our programming for client resilience with the objective of a lower environmental footprint.

We have gained valuable experience from the use of the ISO 9001 Quality Management System in our manufacturing and maintenance divisions. We have adopted the Plan-Do-Check-Act cycle in all our project and business systems. Our Quality Stewardship Handbook provides the guidance that ensures we deliver projects on time, on budget and on specification without adverse health, safety or environmental events. The management systems have reinforced the value of being focussed on client requirements and continually improving the management of risks and opportunities.

Strategic Water Management

Our strategic water management approach to project planning includes the conservation and protection of our water resources through reuse and recycling. It applies international standards to air emission and the discharge of water.

Our water management operations are tracked for any reportable spills to the natural environment. Small spill events (less than 200 litres) are recorded by our Unplanned Event programming. We operate under a reportable event target of zero.

Solid Waste Solutions

Ketek’s ‘Cyclonator’ thermal oxidizers for solid waste disposal have continued to support client needs. In 2017, we increased our international promotion in Saudi Arabia and Kuwait. They were developed with the Alberta Research Council to enable effective solid waste options in remote locations.

“We are proud that our innovation with environmental equipment has found application in over 30 countries for the protection of air, land and water quality.”

Anil Chhibber, Director



GHG and Energy Efficiency

Air emissions from Ketek equipment are attributed through client reporting. Typical contributions are:

Lighting (46%)

Pumping (32%)

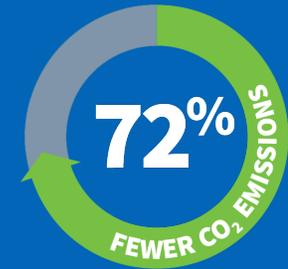
Gensets (17%)

In-field heaters (5%)

Ketek is strengthening its greenhouse gas (GHG) and energy conservation services to facilitate reduction in these emissions through clean technology and community-based infrastructure plans.

Average annual Ketek direct GHG emissions are well below the reporting threshold in Alberta of 10,000 tCO₂e per year.

These emissions are from natural gas, electricity consumption and fuel for our trucks servicing client projects.



Ketek is continually upgrading its equipment to reduce fuel consumption, GHG emissions and costs. This includes the addition of LED light towers that consume 72% less fuel than the previous metal halide lights.



Ketek is transitioning its equipment to Tier 4 compliant generators.



Final quality check for a telemetry system that transmits data from an Intelligent Pump Control System to central control

Climate Resilience

Ketek expects each and every one of its employees, from senior management through to our many experienced field personnel, to contribute to the company's climate resilience initiatives.

Reducing environmental footprint of Ketek operations

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Conserving of water resources in project execution

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Reducing air emissions from equipment

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Protecting biodiversity in project execution

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Developing technical capacity for emergency response with first responders

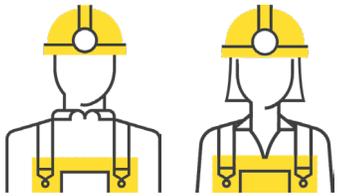
Fort McMurray, May 2016

We were pleased to support emergency responders, under direction of Forestry Emergency and Sustainable Resource Development, with generators, layflat hose, submersible and diesel pumps and light towers for water, power and lighting during the Fort McMurray wildfire in 2016.

Employees

Team Ketek: The company greatly appreciates the value that each employee brings to their work to deliver services 24/7 in summer and winter across Western Canada and beyond. Our diverse Team Ketek workforce operates within the guiding principle of “fair and inclusive.” Our annual employee survey invites feedback and suggestions for improvement. This strengthens teamwork and address matters of importance to employees.

Our inclusive HR philosophy encourages employees to grow with their skills with programming that provides apprenticeships and career experience programs for our diverse workforce, which hails from every continent.



89%
MEN

11%
WOMEN

5,000

HOURS OF TRAINING
DELIVERED IN 2017

387

EMPLOYEES AT
DEC. 31, 2017

“At the end of 2017 Ketek had 387 employees, a 65 per cent increase from the beginning of the year.”

Anastasia Silva
HR & Training Manager

Training

Skilled Workforce: Built from the expertise of Alltek Training, Ketek continues the tradition of providing employees at every level with opportunities to expand their responsibilities. Various apprenticeships and technical skills experience programs such as Eco Canada for Electrical Engineers are accessed to build their technical and operational capacity within Ketek.



First Nations

Partners building their capacity to participate in resource development and environmental protection.

Ketek works in partnership with two First Nation businesses to help them provide economic opportunity to Indigenous Canadians and to protect the environment on their traditional lands with:

- **Kisik Industrial** Headquartered in Fort McMurray, Kisik provides services to the oil and gas, construction and municipal sectors.
- **Steamow** Headquartered in Wabasca-Desmarais, Alberta, Steamow provides services to the oil and gas, construction and municipal sectors.

Governments

Ketek projects are undertaken with the concept of going beyond regulatory compliance.

We have enabled international sales of Ketek products through international distributors supported by development of the International Business Model with the support of the National Research Council's Industrial Research Assistance Program (IRAP).

Clients

Undertake projects with execution planning that includes:

- Health and safety planning based on a comprehensive risk assessment, with actions to eliminate or mitigate those risks.
- Environmental stewardship planning that defines the actions required to assure compliance with project specific standards and approvals.
- Quality assurance plan consistent with quality management systems based on the international ISO 9001 standard
- Regular communications to deliver solutions that meet and exceed project criteria.

Communities

We encourage our employees to participate in their community. We are an integral part of every community we operate in:

- Branches in six communities
- Annual Food Bank drive in branches
- Minor hockey sponsor
- Disaster relief efforts

Ketek delivered ECO Canada's BEAHR solid waste indigenous community training in First Nation communities in Manitoba and Saskatchewan.

“We were pleased to provide our equipment capability to the Fort McMurray community and look forward to officially opening our new Fort McMurray branch office to better serve our clients.”

*Jason Abel
General Manager
Fort McMurray*



05 Sustainability Indicators

The Global Reporting Initiative provides the framework for businesses and governments worldwide to communicate their impact on standard sustainability issues – economic, environmental and social well-being. The sustainability indicators enable actions that inspire accountability, manage risks and identify opportunities for the benefit of all. They are selected to monitor the company’s impacts at local, national and international levels, whether they be positive or negative and short-term or long-term.

KETEK GROUP INC.

Products and Services

Markets

Key Impacts, Risks and Opportunities

Values, Principles and Standards

Risk Management Process

ECONOMIC

Growth

Local Spending

Climate Resilience

ENVIRONMENT

Reduction in Energy Requirements

Water Withdrawal Sources

Water Spill Reporting

GHG Emissions

Waste Management

SOCIAL

New Employee Hire

Injury Frequency

Training Hours

Gender Diversity

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