

**Environmental, Social &
Governance (ESG)**

Performance Report 2020



SUMMIT

AN EARTH SERVICES COMPANY



Message from the CEO

I'm pleased to share Summit's Environmental, Social and Governance (ESG) report for 2020. As a company, we believe it is important to address all risks and opportunities, including those that lie outside of the financial sphere. In this report, we address material factors relating to ESG, our financial health and our future goals. The section on Climate Action is structured within the framework of the Task Force on Climate-related Financial Disclosures (TCFD), and some categories are aligned with the United Nations Sustainable Development Goals (UN SDGs). We are proud of what we have achieved so far, and believe that with planning and pragmatism, we can continue to succeed into the future.

Sincerely,

A handwritten signature in black ink, appearing to read "Russel Orcutt".

Russel Orcutt
CEO





Environmental



Life Below Water and Life on Land

Part of our purpose is to preserve and restore our natural environment, and thus we live these goals everyday. This includes providing services such as remediating contamination and spills, reclamation, conducting wildlife and vegetation assessments, and facilitating watercourse and wetland crossings. In addition, there are measures we can take to reduce additional impact made during our operations. Along with being good corporate citizens, this avoids unnecessary work and saves money for our clients. We do this by, for example, maintaining proper setbacks from water bodies and wildlife habitats, implementing measures to avoid rutting onsite and minimizing site access to only crucial areas.



Climate Action: Governance

Climate risks and opportunities are monitored by our Executive team and our Sustainability Analyst. Trends may also be communicated and observed from our clients and industry partners. As a company, we do not take political stances. Instead, we monitor and gather information to adapt to emerging trends. Climate change effects are not always explicitly stated or discussed as such, but are ingrained in many other risk and opportunity topics. Specific examples will be discussed in our *Climate Change: Risk Management* section.





Climate Action: Strategy

Our operations do not produce a large amount of emissions. The main source of our scope 1 emissions¹ is our vehicle fleet. To reduce emissions, we encourage carpooling, we aim to increase the efficiency of trip planning and we look for ways to increase the continuity of sequential services.

The sources of our scope 2 emissions¹ are the energy to power our Lloydminster and Weyburn offices. There are limited scope 2 emissions from our head office location, as we offset a portion of our electricity use through renewable energy from Bullfrog Power.

Since 2009, we have offset 677 MWh, which is equivalent to 313.3 tonnes of CO₂e.²



This section is structured within the framework provided by the Task Force on Climate-related Financial Disclosures (TCFD).

¹ As defined by the United States Environmental Protection Agency.

² Emissions reductions are based on Bullfrog Power's Green Energy Emissions Calculator and Methodology.

Climate Action: Risk Management

As per TCFD, climate change risks can broadly be divided into transition risks and physical risks. Transition risks encompass an evolution to a lower-carbon economy. We are ready for many transition scenarios as we can provide environmental services for companies ranging from coal to renewables.

Physical risks of climate change, both acute and chronic, are a factor that we must be ready to accommodate. Changing temperatures could alter the species that thrive in certain regions, and may alter the timing our services take place, if for example, spring melt begins to happen earlier in the year. We remain diligent about these possible scenarios so we can adapt if these changes arise. We ultimately strive to turn risks into opportunities.



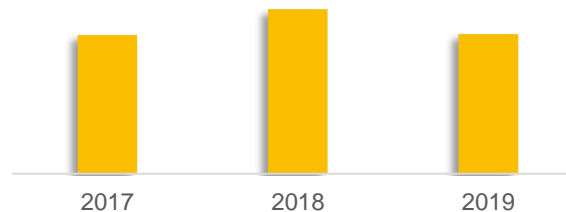


Climate Action: Metrics and Targets

Our tonnes of carbon dioxide equivalent due to driving, which makes up the biggest proportion of our scope 1 emissions¹, remains relatively consistent. Driving is a crucial part of our operations, so we measure it against revenue dollars rather than on an absolute basis.



Tonnes CO₂e (Driving) /
Dollar Revenue



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¹ As defined by the United States Environmental Protection Agency.



Social



Indigenous Communities

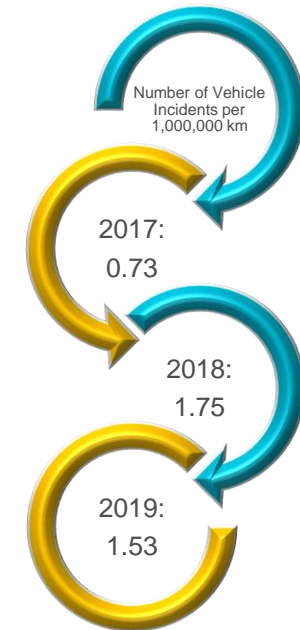
We value the cultures, traditions and rights of Indigenous Peoples, and we recognize that we all have a role in the journey to reconciliation. We strive to engage with Indigenous communities in a meaningful way. We aim to facilitate communication and collaboration between Indigenous peoples and our customers, and we take the time to develop relationships with substance and purpose. We explore opportunities for employment, training, education, community development, community engagement, procurement and business development. We strive to operate in a manner which is mutually beneficial for Indigenous peoples, our customers and our business.

8 DECENT WORK AND
ECONOMIC GROWTH



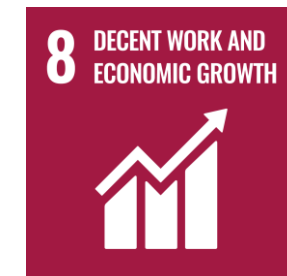
16 PEACE, JUSTICE
AND STRONG
INSTITUTIONS





Safety

At Summit we know that our business relies on the safe work of our staff. We maintain an industry-leading Occupational Health and Safety Management System that is COR Certified. One of the many safety metrics that we monitor continually is the number of vehicle incidents per 1,000,000 km of driving. This number increased in 2018 but decreased in 2019. We find that this rate tends to be higher with an increased amount of total work hours and number of employees, which were both higher in 2018 and 2019. We diligently work towards our goal of zero safety incidents through root cause analysis and sharing outcomes with our staff. This continuously reinforces our culture of safety first.



Our Employees

Our people are our most important asset. We strive to foster a corporate culture that encourages teamwork, compassion and respect. We support open communication to help us continuously improve. Along with promoting communication with managers and Human Resources, we have a portal that allows employees to ask anonymous questions and share feedback.

We aim to include work-life balance within our corporate culture. We encourage our employees to stay active with an onsite fitness room and weekly ball hockey and running club activities. We promote wellness by providing team builders involving physical activity and/or volunteering. As well, Summit offers a paid day off each year for employees to spend time giving back to their communities. To promote relaxation, we organize regular outings and provide a paid day off on an employee's birthday.





Governance



Customers

We have earned a reputation for being a trusted and valued service partner that delivers. Our team of dynamic industry experts work in partnership with our customers to build practical and cost-effective solutions using extensive knowledge, industry best practices and the latest technologies and innovations. We take the time to understand the unique challenges faced by our clients and give the details the attention they deserve. Summit takes pride in our well-earned reputation for being personable and responsive at every level – starting with our founders. We promote these values throughout our culture, and we hire people who embody them.

Summit maintains an 82% returning customer rating, meaning only 18% turnover annually.

Cybersecurity

The security of our data, reports and digital information is crucial. We have multiple security measures and backups in place to protect these assets. This includes system security, information backup, monitoring and reporting of threats, alert systems and end-user training. We must also ensure our security systems are valid while employees work remotely. The effectiveness of our systems are continually monitored by our IT team. If any of our current processes are deemed inadequate, they are reviewed collaboratively with our Executive team and the appropriate corrections are made.





Liability

Liability is an inherent risk for the services we provide. Professional insurance is one way that we manage this risk in a worst case scenario, but we inherently manage this risk everyday in everything we do. This starts with the employees that we choose to hire. Our staff is made up of high caliber individuals, including professional agrologists, biologists, engineers, geologists, chemists and foresters, among others. Our corporate culture encourages collaboration, ultimately improving the quality of our service. We also conduct regular competency assessments, which ensures our employees remain current in their skills.

[We have 33 professional designations across our organization.](#)

Markets

The state of markets, particularly the oil and gas market, have an impact on our company. It influences how many resources our customers allocate towards regulatory activities, drilling and reclamation. Clients may be affected differently based on factors such as operational area, size and portfolio, so some of this risk is managed by maintaining a diverse array of clients. Industry diversity is another key factor for our success. We provide services for clients across an array of industries, including oil and gas, utilities, renewables, governments and commercial projects. The ability to serve a diverse client-base lends itself to adapting to both short and long term changes to markets.





Innovation

Though nature's requirements generally stay the same, the way we do our business consistently evolves and adapts. Summit has always been innovative and forward-looking. We advocate for progress, change and continuous improvement, and we challenge the status quo. We are dedicated to refining all aspects of our business. Some examples include implementation of new software, using GIS to better portray data and information, and adopting new technologies relevant to our industry. We also strive to inspire ideas for improvement from all employee levels and encourage open communication and brainstorming. One way is through our idea board in our main office, which all employees are encouraged to contribute to.

We are the proud owner of 8 patents.



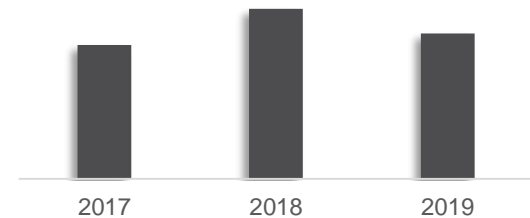
Financial



Financial

We view ESG and financial health as a symbiotic relationship – the strength of one supports the strength of the other. As a company, Summit made a healthy recovery into 2019 after the 2015 economic downturn. In 2020, as we head into an economic recession and cope with a pandemic, we are remaining vigilant. We are sustaining strong financial standing and liquidity, and have and continue to make adaptations to maintain our viability.

Jobs Completed Per Year



Goals



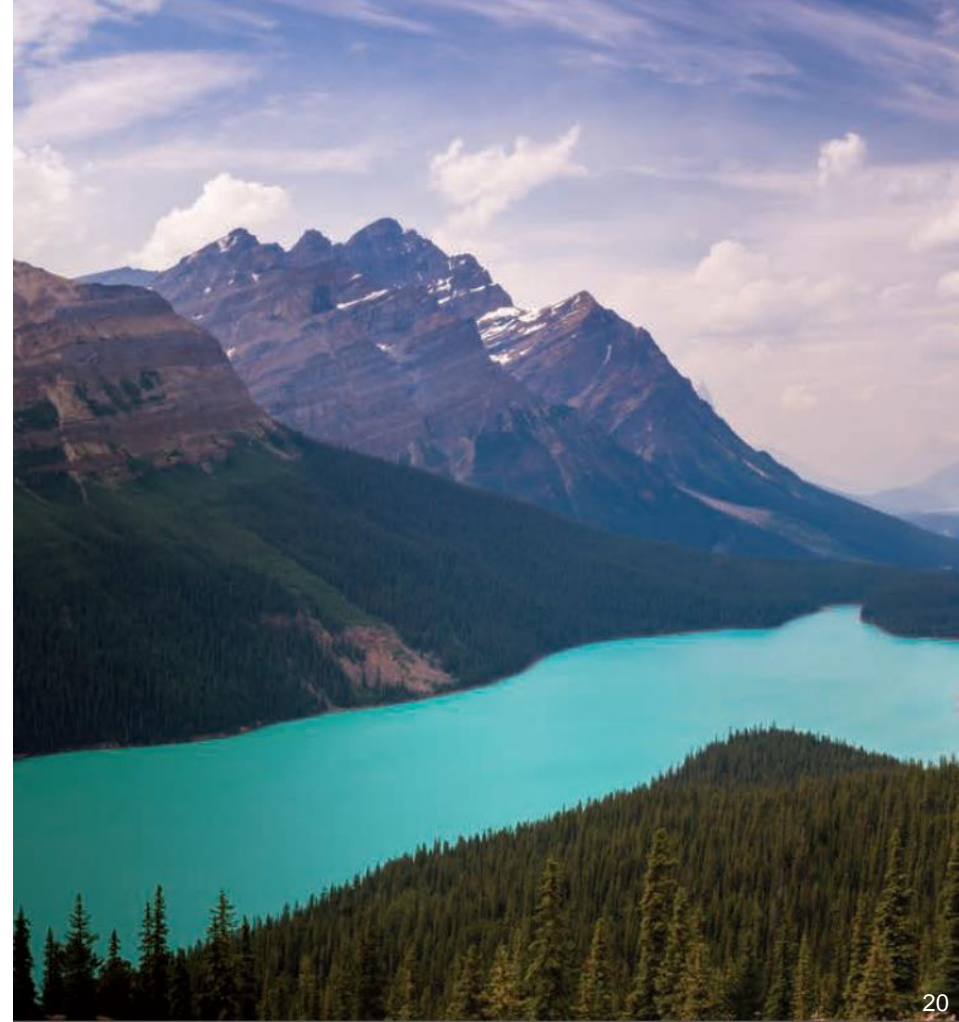
Be vigilant about our risk and opportunity management strategies as we enter increased uncertainty in 2020.



Maximize value for our customers by focusing on increasing the continuity of sequential services. This creates opportunities for Summit to do more with each customer dollar.



Continue to diversify the industries and clients we work with.





Contact

Please feel free to contact us at sustainability@summitearth.com if you have any questions or feedback.