

2021 Indigenous Relations Report

Building Indigenous Economy Together

66 We know that trust is earned over time through our actions 99

~Al Schoening

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Cover Photo:

Adrian "Four Eagles Dancing" Lachance receiving protocol at Civeo's National Aboriginal Day event.

MESSAGE FROM **OUR PRESIDENT**

ince our inception, Civeo has had the good fortune to work in close, respectful collaboration with First Nations and Indigenous community partners across Western Canada. As a guiding principle, Civeo has incorporated a policy statement recognizing the United Nations Declaration on the Rights of Indigenous Peoples. In doing so, Civeo formalized its commitment to advancing Indigenous human rights through truth and reconciliation.

In this past year, new revelations have brought to light the injustices of the former Indian Residential School System and the troubling impact it has had on Indigenous communities in Canada for over a century.

Following the discovery of thousands of unmarked gravesites across the country in 2021, the time to listen, to reflect, and to provide our endless support is needed now more than ever. Our thoughts go to the students and families who were impacted by this very painful time in our collective history.

We believe it is important to acknowledge the significance of our past and to reflect on the troubling circumstances that gave rise to it. In June of this

year, the federal government passed legislation to mark September 30, 2021 as a National Day for Truth and Reconciliation. In this spirit, Civeo employees across Canada were encouraged to pause, reflect, and show our support by wearing orange. Together, we will continue to demonstrate our solidarity with the Indigenous community and our ongoing commitment to reconciliation.

Our ability to cultivate and strengthen relationships with Indigenous communities is vital to the success of our business. For this reason, we work diligently to serve our vision for being recognized as the most trusted brand in our industry.

As in any relationship, we know that trust is earned over time through our actions. The collective achievements presented in this report are the result of open and active collaboration between our community partners, Indigenous businesses, our clients, and our employees who have each made meaningful contributions to our shared purpose.

Sincerely,

Al Schoening President, Civeo Canada



ABOUT CIVEO

Civeo (NYSE:CVEO) is a workforce accommodations specialist dedicated to helping people maintain healthy, productive and connected lives while living and working away from home. As one of the world's largest integrated providers of workforce accommodations, Civeo offers a full suite of hospitality services including lodging, food services, housekeeping, and property maintenance. Our extensive experience comes from owning and operating over 29,000 rooms in Canada, Australia, and the US, in addition to the properties entrusted to us by our clients.

Our properties are the next best thing to home – safe, comfortable and efficient living environments where guests can rest and recharge at the end of their workday.

Caring for your people is what we do best. Our belief is that a well-rested employee with a balanced lifestyle will be more productive at work – making your accommodations provider a key partner in the success of your operation.

OUR COMMITMENT TO INDIGENOUS PEOPLES

As many of Civeo's projects in Canada operate in traditional territories, we work closely with Indigenous communities to explore mutually beneficial investment, employment and business opportunities.

Civeo's commitment to Indigenous Peoples is guided by the following principles:

- Civeo believes in the inherent rights of all Indigenous Peoples to maintain social, cultural and spiritual identities; exercise jurisdiction over traditional lands; pursue sustainable economic prosperity.
- 2. Civeo will purposefully inform and educate employees, customers, suppliers, and community stakeholders of the rights of self-determination of Indigenous Peoples as declared in the United Nations Declaration on the Rights of Indigenous Peoples.
- Civeo acknowledges the reliance of its business on the consent of, and partnership with, Indigenous Peoples.

- Civeo is committed to the principles of the Canadian Council of Aboriginal Business' (CCAB) Progressive Aboriginal Relations (PAR) program and to:
 - Reach and maintain 10% of its Canadian workforce from Indigenous communities.
 - Develop and maintain meaningful business partnerships where revenues and profits are shared.
 - Create opportunities, expand capacity and build partnerships with Indigenousowned businesses.
 - Make sustainable and meaningful contributions to communities and programs to support education and scholarship opportunities for the next generation of Indigenous leaders.

Through this commitment, Civeo will adhere to the highest standards of ethical business practices and open and transparent operations with the goal of unlocking opportunities for both Civeo and Indigenous Peoples.

2021 BY THE NUMBERS:

MILLION



Cumulative Indigenous business procurement spend since 2015

Number of Indigenous businesses contracted

Number of community partnerships in western Canada



Percentage of Civeo workforce who identify as Indigenous

6.2%



PAR GOLD CERTIFICATION

s a workforce accommodations and hospitality company serving the resource industry in western Canada, Civeo often operates in close proximity to Indigenous communities throughout Saskatchewan, Alberta and British Columbia. As a result, the company relies on fostering constructive partnerships with the leadership, members, and businesses within each community to help support its operations.

The Canadian Council for Aboriginal Business (CCAB) has recognized Civeo's commitment to the Indigenous community by bestowing the company with a Gold Level certification in the Progressive Aboriginal Relations (PAR) program.

The CCAB's mission is to foster sustainable relations between First Nations, Inuit, and Métis people, and the Canadian business community. Its PAR initiative is an independent certification program designed to validate corporate performance in Indigenous relations for its participating members. Since the program's introduction in 2001, PAR remains the premier corporate social responsibility program with an emphasis on Indigenous relations.

Having achieved Gold Level certification, we are reminded of the many people, partners and organizations who have come together to actively contribute their inspiration, leadership, and insight to further our commitment to the Indigenous community. The certification underscores the focus Civeo has put into its progressive procurement practices, training and recruitment programs, and ensuring an inclusive work culture.



Canadian Council for John Aboriginal Business

By putting policy and leadership into action, we continue to expand our supplier network of Indigenous companies for contracted services. We are also encouraged to see our training and recruitment programs building additional capacity for our frontline operations and the many disciplines we rely on to deliver our services.

Civeo's Gold Level PAR certification status is noteworthy because it is validated by an unbiased, independent, third-party verification of the company's performance, and awarded by a jury comprised of Indigenous businesspeople. As described by the CCAB, the certification signals to communities that PAR-status companies are:

- Good business partners
- Great places to work and
- Committed to prosperity in Indigenous communities.

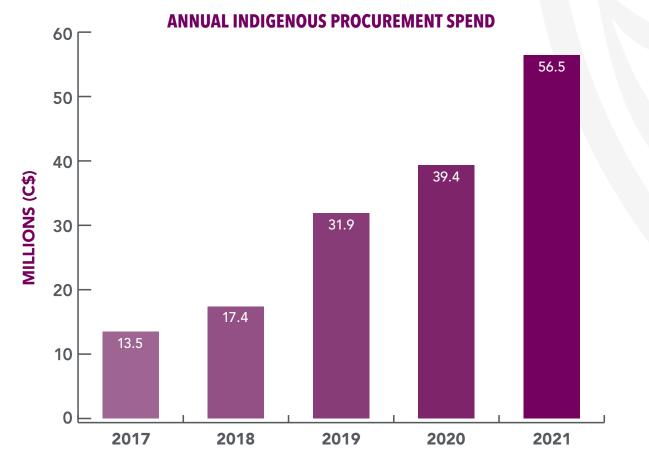
SUPPORTING INDIGENOUS BUSINESSES

A PRINCIPLED APPROACH

The underlying principle of Civeo's Indigenous Procurement Policy is to support the longterm economic interests of Indigenous Peoples. We do this by promoting the participation of qualified Indigenous businesses to work with us on capital projects and our ongoing operations.

CIVEO'S INDIGENOUS BUSINESS PROCUREMENT GREW 43.4% IN 2021, EXCEEDING C\$158.7 MILLION.

In 2021, Civeo purchased over **C^{\$}56.5 million** in goods and services from the Indigenous business community in Canada, adding to a cumulative spend of over **C\$158.7 million** since 2017.



PROACTIVE VENDOR ENGAGEMENT

In 2021, Civeo contracted goods and services from **56** Indigenous businesses, an increase from **40** contracts in 2020.

As part of our vendor engagement process, Civeo meets with community stakeholders including Indigenous-owned businesses, joint ventures, and economic development offices to offer information on available contract opportunities and benefit agreements. We then prequalify and award contracts to Indigenous businesses and PAR-certified companies through competitive sourcing events for goods and services required for Civeo projects.

2021 GROWTH BY PROCUREMENT CATEGORY

In 2021 Civeo continued to show positive year-over-year growth in the percentage of its overall procurement spend being done with Indigenous businesses.

Provided **(see chart below)** is an overview of the percentage of contracts (by dollar value) awarded to Indigenous businesses for each of Civeo's largest categories of operational procurement.

	PERCENTAGE OF CATEGORY PROVIDED BY INDIGENOUS BUSINESSES		
Category	2020	2021	Y-O-Y Growth
Water and wastewater hauling	14.10%	14.36%	0.27%
Security services	18.75%	12.27%	-6.49%
Snow removal	0.59%	3.03%	2.44%
Staff transportation	0.03%	0.27%	0.24%
Goods and services procurement	54.61%	57.90%	3.29%
Garbage disposal	11.92%	12.18%	0.25%

EMPLOYMENT & TRAINING

INDIGENOUS EMPLOYMENT STRATEGY FOCUS AREAS

Civeo's Indigenous Employment Strategy focuses on three key activities:

- Community Outreach: Generate awareness in the community for Civeo, our industry, and the careers that can be built within the occupations that support it.
- 2. **Pro-active Recruitment:** Hold hiring fairs within the community, providing visibility and access to those who may not be able to travel to events being held in larger urban centres.
- 3. **Training and Development:** Partnering with government and industry to help those interested in culinary, hospitality, and water treatment trades to develop the skills they need to enter the workforce.

As a result of our ongoing commitment to the abovementioned focus areas, we continue to grow our base of employees from the Indigenous community.

Indigenous Employees (with/without band affiliation)

Reporting Period	As at Dec 31, 2021
Hourly employees	142
Salary employees	16
Total Headcount	2,256
% of Total Employees	6.2%*

*Note: Due to pandemic restrictions implemented across Canada and on reserves in 2021, Civeo was limited in its ability to implement many of its community-based recruiting and outreach programs. While these restrictions have temporarily challenged our Indigenous recruitment objectives, we remain committed to our PAR principles and will reactivate our community-based programs when it is safe to do so.

CULTURAL AWARENESS INITIATIVES

To further our commitment to ensuring an inclusive work culture, Civeo has developed and implemented several initiatives aimed at creating more awareness for Indigenous culture in the workplace. Examples of these initiatives include:

- Indigenous Awareness courses to provide historic context, celebrate the community's contributions and heritage, and to discuss issues facing Indigenous Peoples.
- Establishment of Indigenous employee committees at various lodges to manage the implementation of programs, and to address emerging issues and concerns.
- Celebration of Canada's National Indigenous People's Day with activities across the organization.
- Observing and acknowledging Orange Shirt Day – National Day for Truth and Reconciliation



INDIGENOUS MANAGEMENT TRAINING PROGRAM

A key highlight for 2021 is the introduction of Civeo's Indigenous Management Training Program. This mentorship program offers qualified candidates hands-on experience to acquire the principals of effective supervision, management, and customer service applied specifically to the hospitality industry.

This field experience is combined with leadership training and increased levels of project and planning responsibilities. Once focused training has been completed, graduates from the program may move onto junior operational roles, junior management roles, or other functional positions in the organization.



AWARD-WINNING PERFORMANCES

One of the cornerstones of Civeo's culture is our shared purpose: Remarkable experiences for the people and communities we serve. By encouraging each other every day to meet this standard, we connect purpose to action in the hopes of making a meaningful difference in the lives of those we serve.

In the past year, our ability to deliver on our brand promise has been challenged by the ongoing pandemic. However, because of our service mindset and unrelenting pursuit of "remarkable" our customers and neighbouring communities are taking note.

In 2021, Civeo and one of its joint venture partnerships have been recognized for two award-winning performances: The Fort McKay Métis Nation President's Award, and the ConocoPhillips Supplier Recognition Award.

FORT MCKAY MÉTIS NATION PRESIDENT'S AWARD

In 2021, the Fort McKay Métis Group announced Civeo had been honoured as the recipient of its inaugural President's Award. This new award will be given annually to people or organizations who make a marked contribution to the wellbeing of the Fort McKay Métis community.

Ron Quintal, President of the Fort McKay Métis Nation, offered a thoughtful message recognizing Civeo's ongoing engagement with the local community.

"Civeo's approach to doing business is community-based, generous in spirit, and puts people first. Our community thanks them for being a leader in sustainable business in our regions, and for their support of our people."

We extend our sincerest thanks to the Fort McKay Métis Nation. Being the inaugural recipient of the President's Award is a true honour. We continue to be inspired by our partnership and its positive contributions to the wellbeing of the Fort McKay Métis Community.

CONOCO PHILLIPS SUPPLIER RECOGNITION AWARD

Also in 2021, ConocoPhillips announced that Fort McMurray Lodge Services (Civeo's joint venture with Fort McMurray First Nation Group of Companies, formerly, Christina River Enterprises) had been honoured as one of 16 companies globally to receive its 2020 Supplier Recognition Award. Fort McMurray Lodge Services operates ConocoPhillips' Surmont Lodge in Alberta's oil sands.

"ConocoPhillips worked closely with our suppliers throughout 2020 to overcome the health and market impacts caused by COVID-19," said Bill Bullock, Executive Vice President and Chief Financial Officer. "The 16 award recipients distinguished themselves not only by responding well to these unprecedented circumstances, but also by delivering exceptional value to ConocoPhillips overall. Together, we overcame challenges, partnered to improve our business and achieved strong operational results."

FMFN Group is a wholly owned business of the Fort McMurray First Nation. We are very proud of our partnership with FMFN Group, the Nation, and the ongoing commitment of our operations team to "Doing Business Better".





BUILDING ONE HOUSE TOGETHER

When guests arrive at Civeo's Sitka Lodge in Kitimat, they are often welcomed by one of our friendly Front Desk Administrators, like Sheila Duncan. Sheila, a member of the Beaver Clan from the Haisla Nation in Kitamaat Village, has worked with Civeo since 2018.

Among her many talents, Sheila is also an accomplished artist, creating Indigenous artwork since learning from her father at a young age. One of Sheila's most recent creations is a piece she called Building One House Together. The piece is rich with symbolism.

"To me it represents teamwork," says Sheila. "We are all working, building one house together. The animals all represent our Haisla Nation. Beaver, Raven, Eagle and Fish. The Beaver Clan has the highest chief from our community. Next is the Raven. When we have a settlement feast within our community, the Beaver and Ravens work together. The other clans, Eagle and Fish, work on their own." Sheila acknowledges several influences on the art that she creates.

"My ancestors, my nation, my culture, and my family, especially my father (Charles Duncan Sr.) who was a self-taught carver inspires me with my artwork."

We are so very fortunate to have Sheila's artwork on display at Sitka Lodge, sharing with our guests and staff a piece of west coast Indigenous culture.

DENE KOE Spotlight

PARTNERS IN WORKFORCE LODGING & HOSPITALITY



Dene Koe is a joint venture between Fort McKay First Nation (FMFN) and Civeo, Northern Alberta's leading workforce accommodations provider.

Founded in 2016, the partnership brings together FMFN's trusted relationship-driven approach to business and Civeo's regional industry expertise to deliver unmatched hospitality to our guests.

By engaging industry and community stakeholders, Dene Koe provides Alberta's oil sands clients with access to dependable, high-quality workforce lodging, catering, and logistics services, while investing in the sustainability of the local community.

The Dene Koe joint venture serves Civeo's Fort McMurray Village, a five-lodge 3,500 room property, as well as Athabasca Lodge (2,005 rooms) and Beaver River Executive Lodge (1,243 rooms) located near Fort McKay.

Dene Koe also provides operational services at Hudson Lodge (624 rooms) and Borealis Lodge (1,504 rooms).

2021 DENE KOE HIGHLIGHTS







\$ **\$5.69 Million** Spent with FMFN & Member–Owned Companies (2020)



