

Pacific Canbriam Energy

2024 Report

Forced Labour in Canadian Supply Chains

About this Report

This 2024 Annual Report (this “Report”) encompasses Pacific Canbriam Energy Limited (“PCE”) fiscal year end December 31, 2024. This Report is prepared pursuant to sections 11(1) and 11(3) of Fighting Against Forced Labour and Child Labour in Supply Chains Act (the “Act”) and has been prepared in compliance with the Act.

PCE is a Canadian energy company focused on the responsible production of liquids-rich natural gas. We are headquartered in Calgary, Alberta, with an office in Fort St. John, and primary field operations in the Altares and Kobes Montney regions of northeastern British Columbia. PCE is a subsidiary of Pacific Energy Corporation Limited. We are proud to be an industry leader in the production of responsibly sourced natural gas and to be certified under the Equitable Origin EO100™ Standard for Responsible Energy Development. PCE is committed to driving excellence, teamwork, respect, integrity and sustainability across all aspects of our operations to build shared value for all of our stakeholders. We are uniquely positioned for responsible production as we own all field infrastructure, including roads, camps, processing plants, gathering pipelines, and water handling assets. PCE's supply chain includes businesses that supply goods and services to our organization for various operational requirements through suppliers, contractors, and subcontractors.

Pacific Canbriam Energy recognizes the important role that we have in ensuring that our operations, and the supply chains that support our operations, adhere to the highest ethical standards, including the prevention and identification of forced labour and child labour in our supply chain. PCE is committed to upholding the highest ethical standards and ensuring that our operations, as well as those of our contractors and suppliers, reflect our dedication to social responsibility. We unequivocally condemn forced labour and child labour in all its forms and are fully supportive of eradicating these practices from the supply chain. This Report outlines our approach to prevent the risk that forced labour or child labour is used in the production of goods in Canada or elsewhere, or of goods imported into Canada, by PCE or third-parties supplying PCE.

Summary

Based on our 2024 supply chain risk assessment and a review of our structure, activities, and supply chains, we consider our operations to be relatively low-level risk for forced labour and child labour. Our operations are conducted exclusively within British Columbia, Canada, with no significant direct sourcing from outside of North America.

While we identify a low-level risk related to purchases of materials manufactured overseas from distributors where we have limited visibility into the distributors supply chain, our process of continuously seeking to better understand our supply chain and sourcing did not uncover any specific instances of forced or child labour.

In 2024 we increased awareness of forced labour and child labour and mitigated risk in our supply chains through the following remediation measures:

- Training our Supply Chain Management group on the requirements of Bill S-211 and the risks of forced labour and child labour.
- Ensuring all PCE personnel adhere to our Code of Business Conduct & Social Responsibility policies, found within our Employee Handbook. Additionally, all employees are informed of how to report wrong doing under our Whistleblower Policy.
- Updating our Contractor Compliance process for our all contractors to incorporate environmental, social and governance questions including those pertaining to forced labour and child labour.

Structures, Activities, and Supply Chain Risk Assessment

Our supply chain focus is to secure the goods and services required for oil and gas development, as well as for the operation and sustainment of existing operations from North American-based direct contractors.

Following a risk-based assessment of our supplier base, our Request for Proposals (“RFPs”) process requires all suppliers to be in our compliance tool prior to being awarded work. In addition, during formal RFPs, suppliers are required to provide supplemental data with their proposal submission outlining their commitment to HSE, ESG and sustainability.

PCE recognizes the potential for forced or child labour in our supply chain. In 2024 our primary sourcing and procurement activities were based in North America. While we have no significant direct sourcing from overseas, our primary exposure to child or forced labour is beyond our second-tier procurement sources.

We proactively assessed critical suppliers to our operation allowing us to mitigate potential risk to our supply chain. In 2024, we procured goods and services from 516 suppliers and contractors. Our top 50 suppliers account for 78% of PCE spend. The overall risk in our supply chain is minimal with operations limited to British Columbia and a supply chain that is based in North America.

We did not identify any instances of the use of forced or child labour in our 2024 risk assessment.

Training

PCE developed a Modern Slavery Act training video on the requirements of Bill S-211 and the risks of forced labour and child labour. This training is mandatory for our Supply Chain Management group and available to all executive members and employees. All PCE personnel are required to adhere to our Code of Business Conduct & Social Responsibility policies, found within our Employee Handbook, and ensure that these policies are understood and properly applied to their daily activities. All employees are informed of how to report wrong doing under our Whistleblower Policy. We provide employees with ongoing training opportunities to ensure that all employees have current knowledge of PCEs policies.

Policies and Due Diligence Processes

Through our organizational and governance policies we communicate our values and expectations. We do not tolerate child, forced or bonded labour in any of our operations or by suppliers working with us. We make every effort to monitor the performance of our suppliers to prevent our activities from having a negative impact on human rights. Our relevant policies are discussed in further detail below:

Code of Business Conduct & Social Responsibility

We are committed to conducting our business in a lawful and ethical manner. Our Code of Business Conduct & Social Responsibility is the foundation of our company policies and sets out guiding principles on professional conduct and establishes that in performing job duties, PCE employees and contractors should always act lawfully, ethically and in the best interests of PCE.

Human Rights Policy

PCE is committed to sustainable development in all locations where we operate, including respecting and protecting human rights. We comply with all applicable local laws and in

accordance with internationally recognized human rights conventions and standards. We are committed to preventing and eliminating all forms of forced and child labour.

Code of Procurement Ethics

PCE's Code of Procurement Ethics details the requirements and expectations we have of our suppliers. PCE seeks to promote a mutually beneficial business environment which can bring optimum value to our suppliers. We conduct our business fairly and ethically, and we expect the same from our suppliers. Our mutual commitment and ability to promote these principles determines the quality and longevity of our business relationship.

Procurement Policy

PCE is committed to ensuring its values and policies are reflected in the procurement of all goods and services, promoting excellence, respect and integrity across all aspects of our operations while integrating social and environmental responsibility. Procurement is an essential function requiring collaboration between the Company and Suppliers to deliver consistency and value for the Community, Country and Climate.

Anti-Bribery & Corruption Policy

PCE is committed to conducting its business in compliance with all applicable Anti-Bribery and Corruption (ABC) laws in the jurisdictions in which it operates and strictly prohibits all forms of bribery and corruption both within its organization and in respect of the actions of its employees and suppliers.

Whistleblower Policy

The Whistleblower Policy establishes procedures that allow stakeholders to confidentially and anonymously submit their concerns regarding questionable accounting, internal controls or auditing matters, including fraud or misrepresentation of accounting or financial records, or contraventions of applicable laws, without fear of retaliation. The Whistleblower Policy applies to all employees and those contractors working for PCE.

Contractor Due Diligence Process

We require the use of approved contractors, which are companies under contract who meet or exceed our requirements. Our pre-screening requirements include:

- Entering contractors into an external compliance tool which collects and verifies data, performing regular audits against PCE's established requirements
- Putting contracts in place that outline contractor responsibilities, including compliance with laws and our Code of Business Conduct & Social Responsibility
- Risk mapping of our supplier's supply chain for our environmental, social and governance considerations

Our Request for Proposals process requires all suppliers to be in our compliance tool prior to being awarded work. In addition, during formal RFPs suppliers are required to provide supplemental data with their proposal submission outlining their commitment to HSE, ESG and Sustainability.

The following questions are examples of those found within our external compliance tool pertaining to the use of forced labour and child labour:

- Do you have a Policy that ensures no Forced Labour takes place in your organization and supply chain?
 - 60% responded yes.

- Has your organization performed training for your employees regarding Forced Labour, your organizational policy, and expectations around it?
 - 44% responded yes.
- Do you perform any due diligence to ensure that your supply chain (that provides, imports, or distributes goods) does not conduct any Forced Labour activities?
 - 21% responded yes.

While adding the questions above has helped increase awareness amongst contractors, we will continue to encourage more contractors to take action.

Approval and Attestation

In accordance with the requirements of the Fighting Against Forced Labour and Child Labour in Supply Chains Act, and in particular section 11 thereof, I, in the capacity of President, Pacific Canbriam Energy, attest that I have reviewed the information contained in the report on behalf of the governing body of the entity 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 within this report.

A handwritten signature in blue ink, appearing to read "Paul B. Myers", followed by a long horizontal flourish.

Paul B. Myers
President, Pacific Canbriam Energy

May 30, 2025

I have the authority to bind Pacific Canbriam Energy.