

2025 FORCED AND CHILD LABOUR REPORT

PETRONAS Energy Canada Ltd.

Table of Contents

- 1. Introduction 2
- 2. Steps Taken to Prevent and Reduce the Risks of Forced and Child Labour in 2025..... 2
- 3. Corporate Structure, Business Operations and Supply Chains 3
 - Corporate Structure and Governance 3
 - Business Operations 3
 - Supply Chain Management 4
 - Policies..... 5
- 4. Due Diligence: Steps Taken to Assess and Manage the Risks 5
- 5. Forced Labour and Child Labour Risk..... 5
- 6. Employee Document Guidance..... 5
- 8. Remediation for Loss of Income 6
- 9. Acting on the Findings of our Risk Assessment..... 6
- 10. Our Approach to Remediation 7
- 11. Assessing the Effectiveness of Our Actions..... 8
- 12. Looking Forward..... 8
- 13. Approval and Attestation 8

PETRONAS Energy Canada Ltd.

2025 FORCED AND CHILD LABOUR REPORT

1. Introduction

This report (the **Report**) is made by PETRONAS Energy Canada Ltd. (hereafter **PETRONAS Canada**, the **Reporting Entity**) pursuant to Canada's *Fighting Against Forced Labour and Child Labour in Supply Chains Act* (the **Act**). This Report constitutes our forced labour and child labour reporting statement for the financial year ending December 31, 2025 (**2025**). Wherever this Report refers to "PETRONAS Canada", "the Company", "we", "us" or "our", it is a reference to PETRONAS Canada as the Reporting Entity.

2. Steps Taken to Prevent and Reduce the Risks of Forced and Child Labour in 2025

PETRONAS Canada took the following steps during 2025 to prevent and reduce the risk of forced and/or child labour in our operations and supply chains:

- Facilitated an internal working group, comprised of Supply Chain, Legal and Sustainability stakeholders all working towards ensuring compliance with the legislation and receiving guidance from Public Safety Canada;
- Engaged the services of an external firm (ISNetworld®) to support our risk assessment with Suppliers;¹
- Conducted a "Forced and Child Labour" awareness session for employees and leadership involved with our suppliers;
- Reviewed applicable standard agreements with a view to strengthening our commitment to prevent forced or child labour at any step of the supply chain, as needed;
- Continued to review and revise our internal policies to address any gaps; and,
- Created a report to Public Safety Canada, as required under the Act, including completion of the mandatory questionnaire associated with the Act.

Details of the actions listed above are set out in this Report.

¹ The selected Tier 1 suppliers that provide workforce services and/or supply goods directly to PETRONAS Canada ("Suppliers"). Tier 1 Suppliers are those with whom the Company has a direct contract or agreement in place.

3. Corporate Structure, Business Operations and Supply Chains

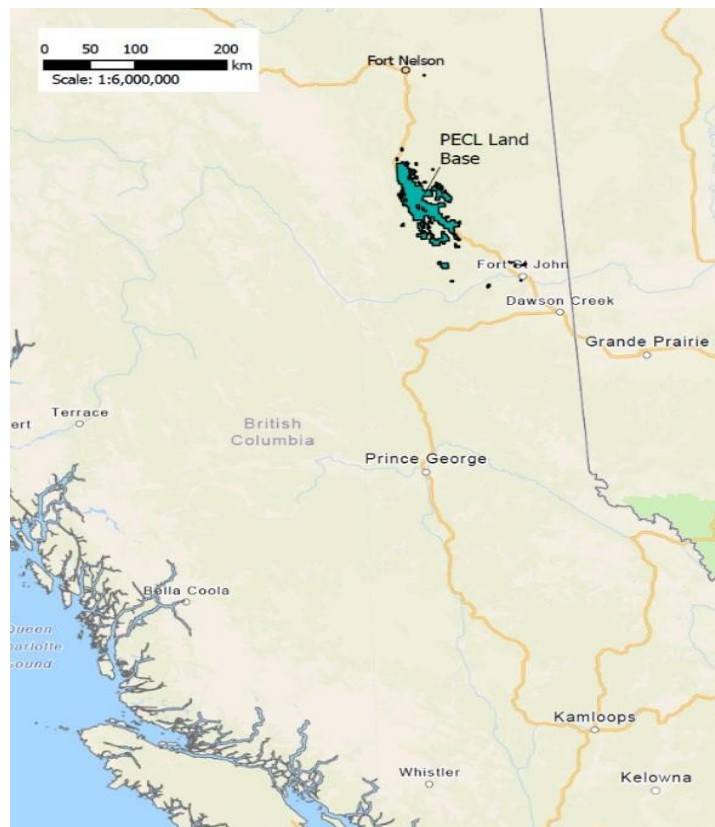
Corporate Structure and Governance

PETRONAS Canada is headquartered in Calgary, Alberta. It is overseen by an eight-person Board of Directors and a seven-person Executive Management Team. PETRONAS Canada has approximately 490 employees in its corporate and field locations. It has a robust internal governance system managed by its Governance, Risk and Compliance Team. It follows several policies including the Code of Business Conduct and Ethics, Whistleblower Policy, Workplace Harassment, Bullying and Violence Prevention Policy as well as supporting policy frameworks.

Business Operations

Our current upstream natural gas operations are all within the North Montney basin in Northeastern British Columbia. With a dominant land position in that resource-rich area, we are one of the largest natural gas resource owners in Canada. Together with our joint venture partners, we own more than 800,000 gross acres of mineral rights with 53 trillion cubic feet of reserves and contingent resources (see Fig. 1 below).

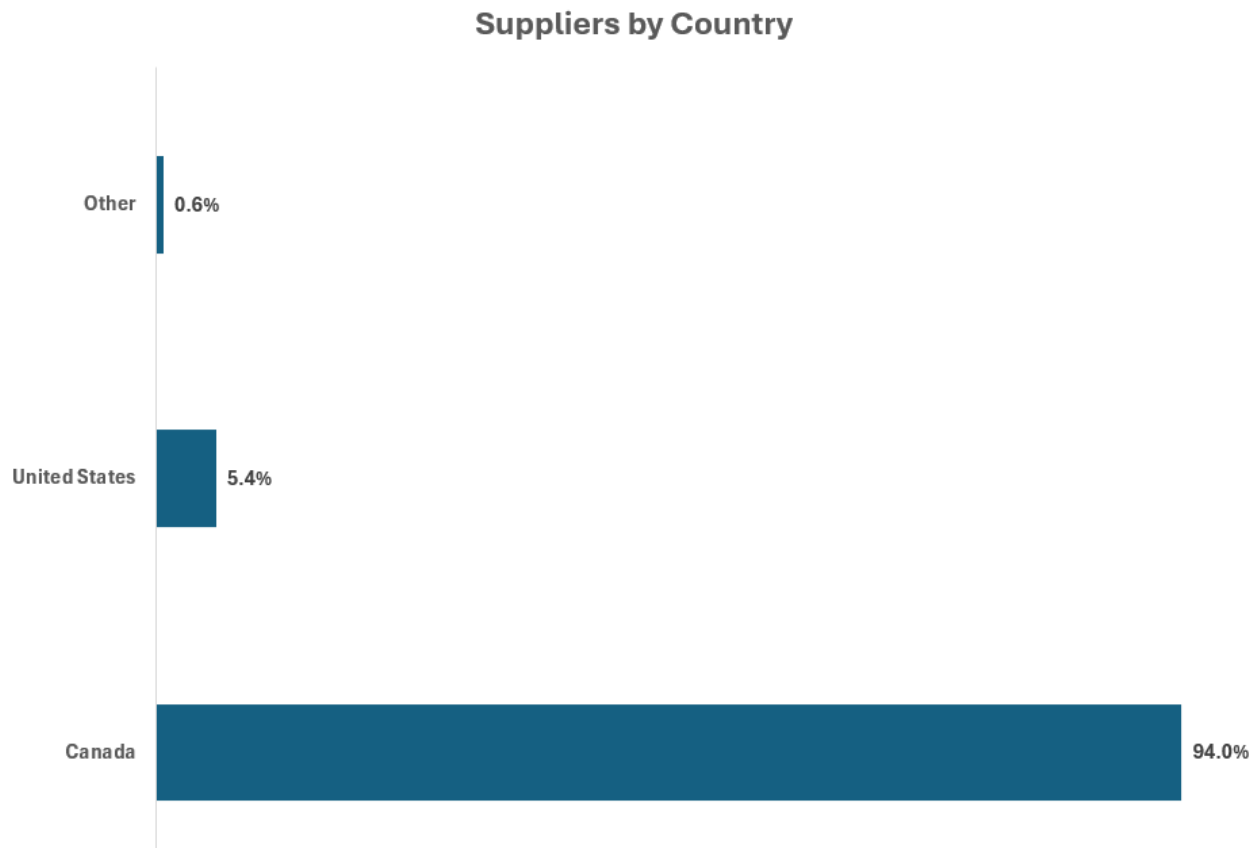
FIG. 1: PETRONAS CANADA LAND HOLDINGS



Supply Chain Management

The Act requires PETRONAS Canada to report on activities that relate to the production, sale, and distribution of goods, both in and outside of Canada, and any importation of goods into Canada. We procure goods and services from a range of third parties related primarily to oil and gas resource development. Supplier contracts are issued in accordance with PETRONAS Canada's policies and procedures. The chart below reflects our 2025 supply chain breakdown by Supplier country of origin percentage (see Fig. 2 below).

FIG. 2: SUPPLIER COUNTRY OF ORIGIN BY %.



At the core of our vendor engagement strategy is an assessment of how a new supplier will share our commitment to safe operations, deliver cost-effective and innovative solutions at optimum service levels. PETRONAS Canada supports providing the greatest degree of economic benefit and employment to the communities where we operate, providing economic and employment opportunities to the local area First Nations within whose traditional territories where we operate, and engaging with locally owned and operated businesses that employ local residents; all of which are factored into supplier selection and competitive tender evaluation criteria.

Policies

As part of our commitment to the policies and standards set by the PETRONAS Canada Board of Directors and management, PETRONAS Canada seeks to collaborate with staff and contractors who share our commitment. Our contractors are contractually required to follow our policies which, in addition to those listed above, include our Confidentiality Policy, Conflicts of Interest Policy, Health, Safety and Environment Policy, the PETRONAS Canada HSE Policy Statement, and a set of shared values including honesty and integrity which are explained to prospective partners (our suite of policies can be found on our website at <https://www.petronascanada.com/>).

4. Due Diligence: Steps Taken to Assess and Manage the Risks

To prevent and identify the risk of forced and child labour in our supply chain during 2025, PETRONAS Canada created a 2025 transaction report for 200 selected Suppliers that provide workforce services and/or supply goods directly to PETRONAS Canada.

The Suppliers were asked to complete an online questionnaire which focused on various areas of potential risk and due diligence such as inherent risks in their own operations and their supply chains, reports of any incidents of child or forced labour, and the policies and training they have in place.

5. Forced Labour and Child Labour Risk

Overall, PETRONAS Canada's supply chain risk of modern slavery is considered low. Some of the key findings of our Supplier risk assessment are as follows:

- **Direct Operations:** PETRONAS Canada's operations are based entirely within Canada which is considered a low-risk country for forced and child labour and our procurement requirements.
- **Suppliers' Operations:** Based on the results of the risk assessment, we have determined that there is a low inherent risk among our Suppliers with a significant portion of the Supplier respondents having a risk score of zero.
 - No Supplier reported instances of forced labour or child labour in their own supply chain.
 - No Supplier responding to our questionnaire reported that any of their own suppliers have failed to comply with legislated minimum age requirements.

6. Employee Document Guidance

PETRONAS Canada continues staff guidance and direction on the risks of forced and child labour, which will include the creation of a document guide which will be referenced by all PETRONAS Canada employees. This guide will include examples and use cases will be provided for preventative measures and awareness. We are committed to ensuring that our staff have the appropriate knowledge and understanding to identify and act upon signs of forced labour and child labour in the supply chain.

7. Remediation

At this point we do not have cause to apply remediation measures.

8. Remediation for Loss of Income

Based on the findings from the review, at this time, PETRONAS Canada will not need to take any measures to address loss of income to the most vulnerable families affected by instances of forced labor or child labor in our supply chain.

9. Acting on the Findings of our Risk Assessment

PETRONAS Canada will continue to evaluate opportunities to strengthen due diligence around forced labour and child labour. We will evaluate the risk and our needs and consider the following:

Policy and governance review

Reviewing our policy framework to ensure that it includes appropriate references to child labour and forced labour. Oversight of policies and processes for managing risk will be reviewed to ensure that sufficiently robust governance is in place.

Engagement

Increasing engagement with Suppliers if they are identified as carrying elevated risk. This enhances our due diligence process, provides opportunities to encourage better risk assessment from Suppliers, and helps to identify problematic areas.

Reporting

Pursuant to the Act, we will continue to compile an annual report to inform the authorities, our shareholder, and other stakeholders of our efforts to support Canada's international commitment to contribute to the fight against forced and child labour risk in the supply chain.

Supplier contracting review

All our applicable standard agreements are periodically reviewed and revised, as needed, to strengthen our commitment to prevent forced or child labour at any step of the supply chain.

Annual risk assessment

PETRONAS Canada will consider whether it continues to conduct an annual Supplier risk assessment to gather information about risks related to forced and child labour.

Suppliers' Onboarding and Contract Terms

PETRONAS Canada requires that agreements for the provision of goods and/or services be in writing and documented in a contract. PETRONAS Canada requires its contractors to follow all laws, including the Act, and all policies outlined on its website.

New Suppliers planning to be onboarded require certifications, incorporation, applicable insurance, and accreditation by ISNetworld® for any site-related work including expectations related to ethical behaviors; all this content is available to contractors and Suppliers on the PETRONAS Canada website.

Supplier Compliance with Policies

PETRONAS Canada has created an effective compliance program framework that monitors performance against its strategic objectives, regulatory requirements and corporate values. This framework consists of numerous policies, procedures, guidelines and standards that set out the requirements for many business processes.

Employees and suppliers must work within this framework to minimize risk to PETRONAS Canada and to ensure consistency with PETRONAS Canada requirements and reporting processes. Drawing the attention of our suppliers to our own respect for human rights, and actions to combat forced labour and child labour, including requiring contractors to acknowledge familiarity with these policies, highlights the issues and enhances accountability within supply chains.

10. Our Approach to Remediation

Based on our current assessment, PETRONAS Canada has limited risk of forced labour or child labour in our supply chain. We have set in place mechanisms that allow employees, contractors and stakeholders to bring matters of concern including those associated with forced and child labour to our attention.

We have important mechanisms in place to uphold high standards of integrity within our company, including through our Whistleblower Policy and an Ethics Hotline.

Whistleblower Policy

The Whistleblower Policy sets forth PETRONAS Canada's requirements for its commitment to ethical business practices and a work environment that fosters mutual respect, open communication, and integrity, consistent with the expectations and plans of PETRONAS Canada. PETRONAS Canada encourages all employees, suppliers, contractors, and consultants who are performing work for the company, and other stakeholders who are impacted by the company's business, to speak up and proactively raise their concerns about potential violations, issues and/or concerns. We provide protection from retaliation against Whistleblowers who raise concerns about PETRONAS Canada in good faith. All complaints are dealt with and elevated to the highest levels within the company.

Ethics Hotline

Our Ethics Hotline is available 24/7 for people to register good faith concerns or complaints about the company including concerns about forced or child labor. The Hotline can be contacted by email (Integrity@petronascanada.com), online through an external and independent third-party www.ethicspoint.com, by telephone at EthicsPoint toll-free (1-855-696-4386) or by letter at the following address: Attention: General Counsel, PETRONAS Energy Canada Ltd., 1600, 215 Second St. SW, Calgary, Alberta, Canada T2P 1M4.

11. Assessing the Effectiveness of Our Actions

Based on the risk assessment we conducted and the responses we obtained from Suppliers we believe that our supply chain risk is low. Our Board is informed of actions to identify and mitigate risk with respect to forced labour and child labour.

Our internal working group continues to review the Act and its implications for PETRONAS Canada. We are committed to reporting annually on our assessed risk, as well as reviewing policies and practices on a regular and ongoing basis.

Originally certified in 2023, and continued in 2024, PETRONAS Canada completed its second re-verification under Equitable Origin's EO100™ Standard for Energy Development in 2025, delivering its strongest performance to date under the certification's rigorous requirements. Since our first certification in 2023, we have demonstrated continuous improvement across consecutive assessments, reflecting a sustained effort across the organization to integrate environmental, social and governance considerations into how we operate.

12. Looking Forward

We will continue to collaborate with Suppliers identified as carrying elevated possible risk and will assess opportunities to enhance our annual approach to modern slavery risk disclosure. Other measures which may add value to this effort will be considered and presented to management and the Board as we develop a clearer picture of the future challenges.

13. Approval and Attestation

This Report was approved pursuant to subparagraph 11(4)(a) of the Act by the Board of PETRONAS Canada.

In accordance with the requirements of the Act, and in particular section 11 thereof, I attest that I have reviewed the information contained in the Report. 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 2025.

I have the authority to bind PETRONAS Energy Canada Ltd.



Hafiz Azzad Bin Zubir

President & Chief Executive Officer

Submission Date: May 6, 2026