

Modern Slavery Report 2023
Fighting Against Forced Labour and Child Labour in Supply Chains Act
Journey Energy Inc.

1. Introduction

This Modern Slavery Report (the “Report”) is produced on behalf of Journey Energy Inc. (“Journey”, the “Company”, “we”, or “our”) and addresses the financial reporting period from January 1, 2023, to December 31, 2023. This Report has been prepared in compliance with the Fighting Against Forced Labour and Child Labour in Supply Chains Act (the “Act”). Journey understands its obligation to adhere to all labour and human rights laws and is committed ensuring to ethical business practices in our operations. This Report outlines Journey’s actions taken to prevent and reduce the risk of forced labour or child labour occurring within Journey’s supply chain and business.

2. Structure, Activities, and Supply Chains

Journey is a Canadian publicly traded company engaged in the exploration, development and production of crude oil and natural gas in the province of Alberta. Journey’s shares are listed and trade on the Toronto Stock Exchange under the symbol “JOY”. The registered address of Journey is 2400, 525 8th Avenue SW Calgary, Alberta, Canada and the corporate head office is located at 700, 517-10th Avenue SW, Calgary, Alberta, Canada.

Journey is focused on creating sustainable value through the responsible development, enhancement and continued growth of our low-decline asset base situated across Alberta. Journey’s supply chain is managed centrally in the Company’s head office in Calgary Alberta within its Operations and Finance departments. The Company’s supply chain includes vendors that service various aspects of oil and gas operations including oil and gas well drilling and servicing, construction, transportation, engineering, and professional services. The Company employs full-time employees at its head office in Calgary as well as at various field operational sites in addition to third party contractors and consultants. Journey also holds joint venture interest in assets across Alberta that are not operated by the Company. These operators are required to adhere to all applicable laws and regulations as set forth by governing bodies.

Additional information regarding Journey’s corporate structure and operations can be found in the 2023 Annual Information Form, Audited Annual Consolidated Financial Statements and Management's Discussion and Analysis for the year ended December 31, 2023, which is posted on our website at <https://www.journeyenergy.ca/investors/> and filed on SEDAR+ (www.sedarplus.ca).

3. Policies and Due Diligence

Journey requires the highest standards of professional and ethical conduct from its directors, officers, employees and consultants. Our reputation among our shareholders for honesty and integrity is key to the success of our business. No employee or consultant will be permitted to achieve results through violations of laws or regulations, or through unscrupulous dealings. Journey intends that the Corporation's business practices will be compatible with the economic and social priorities of each location in which we operate. Although customs and standards of ethics may vary in different business environments, honesty and integrity must always characterize our business activity. Our Code reflects our commitment to a culture of honesty, integrity and accountability and outlines the basic principles and policies with which all employees are expected to comply.

Journey's policies include the following which are located on the Company's website:

<https://www.journeyenergy.ca/sustainability-2/>

- Code of Conduct and Ethics
- Disclosure and Trading Policy
- Whistleblower Policy
- Majority Voting Policy
- Workplace Harassment Policy

It is the responsibility of the supervisors and senior staff to oversee work practices and ensure that rules, regulations, and policies are adhered to.

Procedures are in place surrounding the labour of staff, independent contractors, and vendors. These procedures include formal documentation of approvals, record keeping, background checks, and contract review with signatories.

To follow the standards set forth in the Company's policies, all directors, officers, employees, and contractors are required to annually acknowledge our code of conduct. When onboarding new suppliers, a review of their standards for compliance and alignment with our organizational values and the Act is performed before further business is carried out.

4. Risk Assessment and Management

Journey expects all counterparties it engages business with to adhere to similar business practices and comply with all applicable laws and regulations. Within the scope of Journey's own organization, the risk of forced labour or child labour is considerably low. All employees are based in Canada and have formal contracts signed in accordance with the applicable laws and regulations of the governing bodies within the jurisdiction in which the Company and these employees operate. No full-time employed workers are under the age of 18. As such, there is a low risk of modern slavery within our direct operations. There may be a slightly higher risk outside the scope of our own organization of either forced or child labour. These risks could be in relation to the country or location, industry, and product of its suppliers. Journey reviewed all our suppliers based on the jurisdiction of their operations, determining that 97% of our suppliers are located within Canada and subject to Canadian laws and regulations. Journey determined no high-risk suppliers. To maintain risk management efforts, the Board of Directors as part of its governance role, will continue to be diligent with respect to modern slavery as it may relate to our supply chain. Journey will use its best efforts to mitigate and remediate any instance of forced labour or child labour if discovered within the Company's supply chain and will continually assess and improve our process to protect against this risk.

5. Remediation Measures

Journey has not identified any instances of forced labour or child labour within its operations or supply chain. As such, no remediation measures were required to address any incidents during the period. Should any instances occur in the future, Journey will take reasonable, and corrective action to remedy the situation which could include, actions to prevent further instances, grievance mechanisms for those involved, and/or compensation for the loss of income to any directly affected vulnerable families.

6. Training

Journey does not currently provide specific training on the risk of forced labour and child labour in its supply chains, however it does expect all directors, officers, employees, and contractors to follow all government laws and regulations and to conduct themselves ethically at all times. Journey may consider voluntary learning sessions for staff around the risks as it relates to the Act.

7. Assessing Effectiveness

Journey has a number of processes that support the mitigation and prevention of forced labour and child labour and there have been no instances of these incidents for the noted reporting period. One measure of assessing the effectiveness of its policies as it relates to the Act is through monitoring of our Whistleblower line as indicated in the Company's policies. There have been no occurrences of forced labour or child labour brought to the attention of the Company through this avenue. Journey will continue to assess the effectiveness of its policies through quarterly reviews of the Company's policies and procedures.

8. Approval and Attestation

This Report was approved by the Company's Board pursuant to paragraph 11(4)(b)(ii) of the Act and has been filed with the Minister of Public Safety and Emergency Preparedness.

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 2023.

I have the authority to bind the Reporting Entity, Journey Energy Inc.

(signed) "Alex G. Verge"

Alex G. Verge
President, Chief Executive Officer and Director,
Journey Energy Inc.
Aug 8, 2024