



QUESTERRE

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# 2023 Modern Slavery Report

## About this report

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This document constitutes Questerre Energy Corporation's ("Questerre" or the "Corporation") Modern Slavery Report (the "**Report**"), covering our fiscal year ended December 31, 2023. We make this Report pursuant to sections 11(1) and 11(3) of *Fighting Against Forced Labour and Child Labour in Supply Chains Act* (the "**Modern Slavery Act**" or the "**Act**"). We do not report under similar legislation in any other jurisdiction.

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## Introduction

Questerre believes that the future success of our industry depends on a balance of economics, environment and society. The Corporation is committed to building and maintaining a sustainable business by meeting high standards of performance in the environmental, social and governance ("ESG") areas that matter most to our business and stakeholders and that contribute to protecting shareholder value. Our ESG approach is integrated into how we operate and allocate resources and is fundamental to supporting business resiliency and long-term value creation. This means that the Corporation is committed to:

- Protecting people and the environment;
- Ensuring we meet or exceed all regulation under which we operate;
- Maintaining a valued culture in which our employees and contractors thrive; and
- Engaging with the communities in which we live and operate.

As part of maintaining a culture where contractors can thrive, we recognize that modern slavery might take various forms, such as slavery and slavery-like practices, servitude, compulsory, forced and child labour, all of which have in common the deprivation of a person's liberty by another in order to exploit them for personal or commercial gain ("**Modern Slavery**"). In any form, Modern Slavery is a violation of fundamental human rights, and we are committed to taking the steps necessary to prevent and reduce the risk that Modern Slavery is used in our business or supply chains.

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## Our activities and governance

### *Structure and Activities*

Questerre is an energy technology and innovation company. Questerre is actively engaged in the acquisition, exploration, and development of oil and gas projects, in specific non-conventional projects such as tight oil, oil shale, shale oil and shale gas. Questerre is committed to the economic development of its resources in an environmentally conscious and socially responsible matter. The Corporation holds assets in Alberta, Saskatchewan, Manitoba, Quebec. It also has one wholly owned subsidiary with non-producing assets in Jordan.

Questerre's common shares are traded on the Toronto Stock Exchange (TSX:QEC) and the Oslo Stock Exchange (OSE:QEC). Additional information regarding the corporate structure, operations and industry conditions relating to Questerre is available in the Corporation's 2023 Annual Report which can be accessed on its website at [www.questerre.com](http://www.questerre.com) or on SEDAR+ at [www.sedarplus.com](http://www.sedarplus.com).

## *Supply Chain*

Questerre's supply chain includes businesses that supply goods and services to our organization, primarily encompassing various vendors, suppliers, contractors and subcontractors involved in the procurement of goods and services necessary for our operations in developing and maintaining our assets. Most of these are based in Alberta and Saskatchewan and primarily provide services with local personnel. These entities must comply with Canadian laws and regulations.

## *Policies and Governance*

Through our organizational and governance policies we communicate our values and expectations, setting a high standard for ourselves and our suppliers. The Corporation is committed to corporate governance practices that meet or exceed the guidelines of the governing regulatory authorities as well as the expectations of shareholders and other stakeholders. Further, we are committed to consistently evolving and improving our approach. The following policies, each available on our website at <https://www.questerre.com/governance/>, evidence our commitment to ethical business practices and human rights:

- ***Code of Business Conduct and Ethics.*** Questerre's Code of Business Conduct and Ethics (the "**Code**") applies to our directors, officers and employees who are each expected to read and become familiar with the standards described in the Code. The Code requires that all directors, officers and employees respect and obey the laws and governmental rules and regulations of the countries, states, cities and local communities in which they operate and to act ethically, honestly and with integrity when engaged in business relationships with other companies, individuals, organizations and levels of government in other countries.
- ***Whistleblower Protection Policy.*** In accordance with our Whistleblower Policy and the Code, should any director, officer or employee observe, learn of or, in good faith suspect a violation of, the Code, they are encouraged to promptly report the violation to his or her immediate manager who is in turn responsible for informing the Chief Financial Officer of any violations or concerns raised. Employees may also report their concerns directly to the Chief Financial Officer. The Whistleblower Policy forbids retaliation for the act of good faith whistleblowing.
- ***ESG Policy.*** Questerre's Environmental, Social and Governance (ESG) Policy (the "**ESG Policy**") provides a high-level statement of intent that guides the Corporation's decision-making with respect to ESG matters. The ESG Policy reflects the Corporation's core values and commitment to conducting our business strategically, ethically and responsibly in a manner that allows us to continue to build a long-term sustainable business. As set out in the ESG Policy, Questerre recognizes and respects all internationally recognized human rights and complies with all applicable human rights legislation in the jurisdictions in which it operates. Questerre is also committed to providing a safe workplace for all employees and contractors.
- ***Respectful Workplace Policy.*** Pursuant to our Respectful Workplace Policy, Questerre is committed to providing a workplace that is free from harassment on prohibited grounds. The Respectful Workplace Policy applies to all those working at the Corporation. The Corporation will exercise its best efforts to, among other things, encourage a workplace that is free from harassment on prohibited grounds, investigate written complains of harassment, impose appropriate disciplinary measures when a complaint has been substantiated and support and assist policy participants access relevant support services.

## *Due Diligence Processes*

We expect third parties we work with to adhere to business principles and values similar to our own and to comply with all applicable laws and regulations. We acknowledge those in our supply chain are at potential risk of forced labour or child labour. Limited due diligence on our suppliers was conducted in the fiscal year ended December 31, 2023, as the Company determined our operations to be at low risk for forced labour or child labour within Canada. We generally contract goods and services through referrals from reputable third party firms that engage these providers for us and other companies located in Canada.

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## Assessing risk of forced and child labour in our business and supply chains

We use a risk-based approach to assess and manage our risk of forced labour and child labour. This approach assists us in prioritizing our efforts as we grow our business. Our approach to identifying risks in our supply chain takes into account both the country in which our suppliers operate and the types of products and/or services they provide to us.

The vast majority of the Corporation's producing assets are managed and operated by joint venture partners who are responsible for procuring goods and services on behalf of the joint venture. The Company operates its producing asset in Saskatchewan and its non-producing assets in Quebec. The vast majority of goods and services purchased are provided by Canadian companies with Canadian employees.

As a result, with respect to the matters which are subject to this Report, we consider the risk of Modern Slavery within Questerre's operations and supply chains to be very low. Our employees only operate in Canada and we have a very limited direct supply chains. We also do not engage in activities that would invite a high risk of slavery or slave-like practices. As our operations grow, we will continue to assess our risk assessment processes.

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## Remediation measures

As we did not identify any incident of child labour or forced labour in our activities or supply chains for the year ended December 31, 2023, we did not need to take any measures to remediate an incident of Modern Slavery nor did we need to remediate the loss of income to the most vulnerable families that resulted from any measures taken to eliminate the use of forced labour or child labour in our activities or supply chains.

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## Assessing our effectiveness

As part of our governance processes, we monitor compliance with our policies on an ongoing basis. We also review any concerns raised through our Whistleblower Policy and Respectful Workplace Policy, as well as other informal mechanisms of employee feedback. To date, no significant concerns or complaints have been identified.

We review our statements, policies, procedures, and practices periodically to determine whether any enhancements should be made to reinforce our commitment to preventing Modern Slavery in our business and in any of our supply chains. These include where appropriate, implementing measures to assess the effectiveness of any of our processes. As we further develop our internal capacity and knowledge, we will reuse and improve our processes as required to properly assess the effectiveness of our efforts to prevent forced labour and child labour.

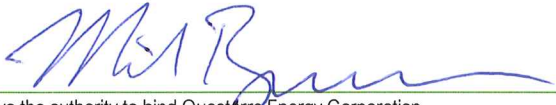
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## Approval and attestation

This Report was approved by Questerre's Board of Directors on May 16, 2024, pursuant to section 11(4)(a) of the *Fighting Against Forced Labour and Child Labour in Supply Chains Act*, and has been submitted to the Minister of Safety and Emergency Preparedness in Canada. This Report is also available on our website.

In accordance with the requirements of the Act, and in particular section 11 thereof, I attest that I have reviewed the information contained in this Report for the Corporation. Based on my knowledge, and having exercised reasonable diligence, I attest that the information in this Report is true, accurate and complete in all material respects for the purpose of the Act, for the reporting year ended December 31, 2023.

I make the above statement in my capacity as a member of the Board of Directors of the Corporation for and on behalf of the Board of Directors.



I have the authority to bind Questerre Energy Corporation

Michael Binnion, President and CEO, May 16, 2024