



**FIGHTING AGAINST
FORCED LABOUR AND CHILD
LABOUR ANNUAL REPORT FOR THE
YEAR ENDED DECEMBER 31, 2023**

May 31, 2024

INTRODUCTION

This report for Tenaz Energy Corp. (referred to as "the Company," "Tenaz Energy," "we," "our," or "us") covers the financial year that concludes on December 31, 2023 ("**Reporting Period**") and outlines the measures implemented to mitigate the risks of forced and child labor in the production and importation of goods by Tenaz Energy in Canada. This document marks Tenaz Energy's first report under Canada's new Fighting Against Forced Labour and Child Labour in Supply Chains Act (referred to as "Canada's Modern Slavery Legislation").

OUR VALUES

Modern slavery, human trafficking, and child labor are reprehensible practices that have no place in our operations or within our supply chains. As such, we are dedicated to implementing measures to ensure that these practices are entirely absent from our activities. Our commitment extends to conducting our business with the highest ethical standards and integrity. We also demand that our business partners adhere to these same principles. By enforcing these standards, we aim to foster a supply chain that is not only compliant but also reflects our values of respect and human dignity.

CURRENT OPERATIONS

Tenaz Energy is a public energy company focused on the acquisition and sustainable development of international oil and gas assets capable of returning free cash flow to shareholders.

Tenaz has domestic operations in Canada along with non-operated offshore gas assets in the Netherlands. The domestic operations consist of a semi-conventional oil project in the Rex member of the Upper Mannville group at Leduc-Woodbend in central Alberta. The Netherlands gas assets are located in the Dutch sector of the North Sea. Tenaz also has an ownership interest in Noordgastransport B.V. which holds one of the largest gas gathering and processing networks in the Dutch North Sea.



SUPPLY CHAIN

While our operations primarily utilize suppliers based in Canada, we recognize that some of the products we source may originate from various international locations. In our supply chain management efforts, we strive to understand the origins of the goods provided by our vendor partners as thoroughly as possible.

We have reviewed *the U.S. Department of Labor List of Goods Produced by Child Labor or Forced Labor* and the *List of Products Produced by Forced or Indentured Child Labor* and have not identified any goods or products widely used in our supply chain.

We have also conducted a thorough review of the vendors involved in our supply chain management for the year 2023. Our assessment confirms that these vendors comply with the standards set forth in the Canada Modern Slavery Legislation, and we have identified no concerns regarding their practices.

POLICY

Tenaz is committed to cultivating a workplace culture that prioritizes the security and appreciation of every employee, valuing the diverse perspectives and experiences each contributes to the Company. We have developed a comprehensive Code of Conduct that delineates the standards of conduct

expected from all people affiliated with our organization.

The Code incorporates a section aimed at reinforcing expectations and fostering awareness regarding human rights matters. We are dedicated to upholding human rights in our business endeavors and operational practices, aligning with the principles outlined in the United Nations Universal Declaration of Human Rights and the Conventions of the International Labour Organization, as detailed in our Code of Business Conduct and Ethics, last updated on November 17, 2021. All individuals associated with Tenaz Energy, including directors, officers, employees, contractors, and suppliers, are required to adhere to all pertinent human rights laws and regulations, as well as the corporation's policies and standards, whichever are more stringent.

Tenaz will not tolerate any form of human rights violations within its operations or supply chain. This commitment extends to addressing risks associated with modern slavery, forced labor, and child labor, while also respecting rights related to freedom of association and collective bargaining, as delineated in the UN Guiding Principles on Business and Human Rights.

Annually, employees and all contractors are required to review the Code of Conduct and to formally acknowledge their understanding and adherence to the Code's provisions in writing. For further details refer to our [Code of Conduct](#) posted on our website under the 'Governance' section.

DUE DILIGENCE

We are instituting a robust process to ensure that the suppliers we engage with adhere to and uphold the same values we prioritize regarding the eradication of forced labor and child labor.

As a component of this initiative, we are establishing comprehensive screening and monitoring procedures to identify and mitigate human rights risks, particularly those related to forced labor and child labor.

Each supplier involved in providing materials and services for our projects and operations must complete a questionnaire that includes a number of health, safety and environment items. This questionnaire will be updated to assess the risk profile of each supplier and to gain insight into their potential exposure to issues such as corruption, forced labor, child labor, and bribery. Additionally, it will specifically ask for information regarding the presence of specific policies and procedures

within suppliers' frameworks aimed at combating forced labor and child labor.

Suppliers are required to conduct due diligence and enforce controls, such as contractual obligations, for those suppliers posing a risk of non-compliance. Additionally, suppliers are prohibited from engaging third parties known to violate Tenaz's Code of Conduct. Tenaz's Code of Conduct includes specific provisions to protect workers.

As part of our due diligence process, during the annual Code of Conduct sign-off process, we will further highlight the importance of understanding and compliance with sections of the Code of Conduct that relate to forced labour and child labour, including this report, which will be posted on our external website under the Reports and Filings section.

We are establishing an internal working group comprised of Tenaz's management representatives from supply chain, legal, and sustainability to review the impact of Canada's Modern Slavery Legislation on Tenaz and assess the effectiveness of the actions taken to date to address the risk of modern slavery.

If we discover any instances of forced or child labor within our suppliers' operations, we are dedicated to adopting a comprehensive strategy to resolve the issue effectively. This strategy involves a variety of approaches, such as utilizing contractual measures, working collaboratively with the supplier to create a corrective action plan that thoroughly addresses the problem, or terminating the relationship if necessary.

REPORT APPROVAL AND ATTESTATION

In compliance with the Act's stipulations, I confirm that I have thoroughly examined the data outlined in the Report pertaining to the mentioned entity/entities. To the best of my knowledge and after conducting appropriate scrutiny, I confirm the accuracy, truthfulness, and comprehensiveness of the information in the Report, as required by the Act for the specified reporting period. I possess the necessary authority to represent Tenaz Energy Corp.



Anthony Marino
President and CEO & Director
Tenaz Energy Corp.