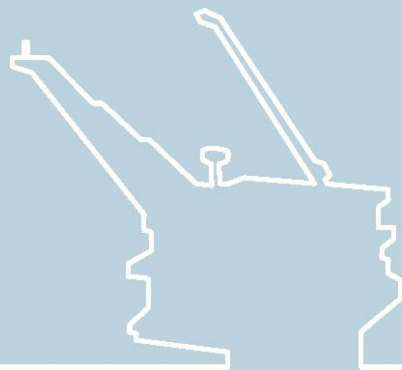


2023

Canadian Modern Slavery Act Report



For the calendar year ending December 31, 2023

CANADIAN MODERN SLAVERY ACT REPORT

This is the inaugural Report of Valeura Energy Inc. (“Valeura”) pursuant to the *Fighting Against Forced Labor and Child Labor in Supply Chains Act* (Canada) (the “Modern Slavery Act” or the “Act”), which was effective on January 1, 2024.

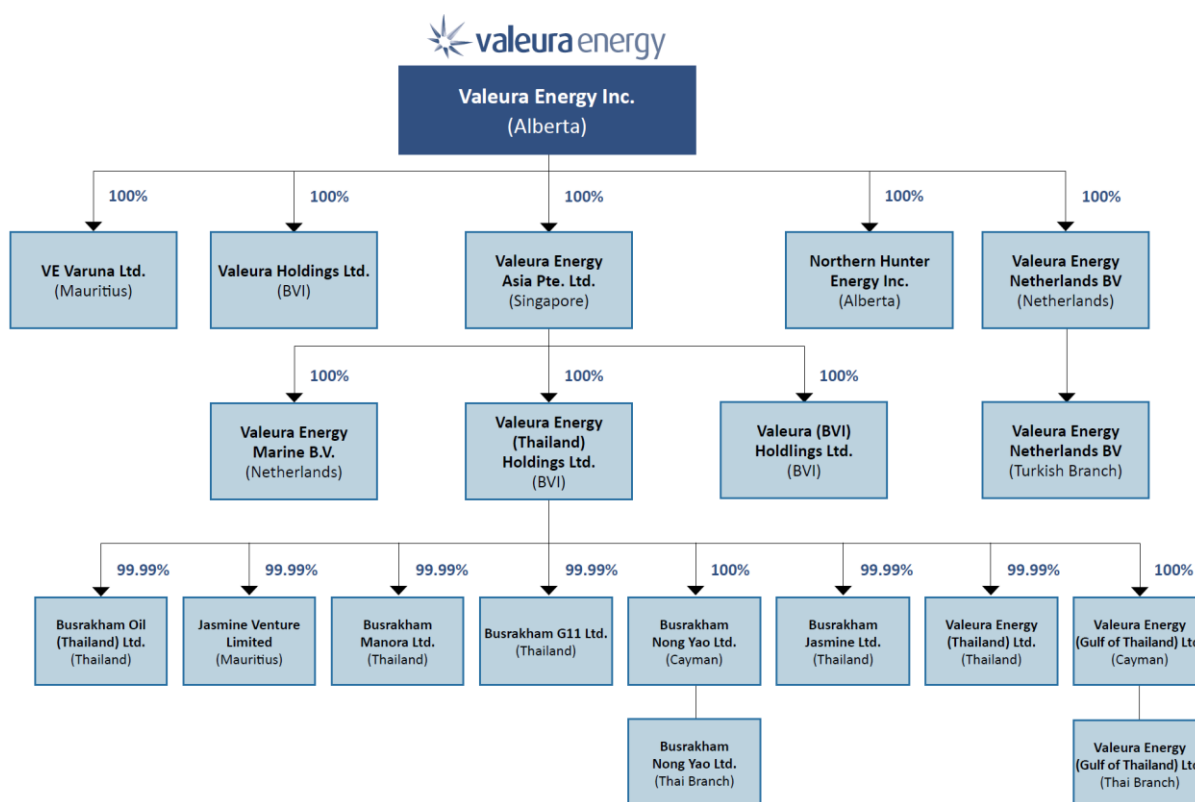
Valeura and its wholly owned subsidiaries (which are listed in the diagram below, and are collectively referred to as the “Group”, “we” or “us”) understand the importance of responsible global corporate citizenship, and we consider it critical to engage with all stakeholders and use good judgment, to make ethical choices with integrity. We are committed to ensuring that all forms of modern slavery, including child labour, forced labour and human trafficking, are excluded from our business and supply chain. Our partners and contractors are expected to act in accordance with the highest standards of integrity and in compliance with all applicable laws and regulations.

We recognise that slavery and human trafficking can occur in many forms, including forced labour, child labour, and workplace abuse. Therefore, the term “modern slavery” as used in this Report includes these various forms of coerced labour.

STRUCTURE

Valeura is governed by the *Business Corporations Act* (Alberta). The executive office of Valeura is in Singapore and its registered office is in Calgary, Alberta. Valeura’s common shares are listed and posted for trading on the Toronto Stock Exchange under the symbol “VLE” and also traded on the OTCQX under the symbol “VLERF”.

The principal activities of the Group are conducted outside of Canada through the wholly owned subsidiaries of Valeura. The following diagram describes the inter-corporate relationships among Valeura and each of its subsidiaries as of the date of this Report:



ACTIVITIES

Valeura’s operations are focused on the offshore Gulf of Thailand. As of December 31, 2023, Valeura held working interests in four licences offshore Thailand, which are all operated by subsidiaries of Valeura. In addition, Valeura indirectly holds an interest in six production leases and exploration licences in Türkiye.

Valeura’s interests in Thailand include: a 100% operated working interest in Licence B5/27, containing the Jasmine and Ban Yen oil fields; a 100% operated working interest in Licence G10/48, containing the Wassana oil field; a 90% operated working interest in Licence G11/48, containing the Nong Yao oil field (Valeura’s partner Palang Sophon Ltd. holds the remaining 10% working interest); and a 70% operated working interest in Licence G1/48, containing the Manora oil field (Valeura’s partner Tap Oil Ltd. holds the remaining 30% working interest). Total oil production in 2023 from our Thai assets averaged 20,420 bbls/d.

Valeura’s interests in Türkiye, which are held by Valeura Energy (Netherlands) BV, include: a 63% operated working interest in the deep rights for three production leases and one exploration licence in the West Thrace Lands; and a 100% operated working interest in the deep rights in the Banarlı Licences. There were no active petroleum operations conducted by the Group in Türkiye in 2023.

As at December 31, 2023, Valeura had seven full-time employees in its executive office in Singapore, 187 employees at its offices in Thailand, and two employees at its office in Türkiye.

SUPPLY CHAIN

The Group has infrastructure in place at each of its Thai oil fields including platforms of both a fixed and mobile offshore production unit (“MOPU”) nature which serve as wellhead and/or oil processing facilities. Where a field has more than one fixed installation, facilities are interconnected through sea floor pipelines. Oil production from each field is stored in moored floating vessels, where it is periodically offloaded by tanker for sale to international and domestic end buyers.

Some of the key infrastructure (such as platforms and MOPUs) required for our operations are owned by our subsidiaries. We also use contractors to provide essential equipment and services including helicopter transport services, support vessels, floating storage offtake vessels, drilling services and operations and maintenance services.

Valeura’s supply chain organisation is comprised of various groups of individuals, including (i) a contract and procurement team, and (ii) a human capital team. Our contract and procurement team is responsible for supplier selection, contract negotiations and supplier performance monitoring. Our human capital team is responsible for vetting and verifying details of all persons engaged by the Group, whether as employees or contractors’ personnel to ensure compliance with our policies, procedures and applicable laws. All supply chain decisions are ultimately reviewed and approved by our procurement board committee, which is composed of members of our senior management team.

We work with a large number of contractors to procure the necessary equipment and services required to conduct our business. Our relationships with our contractors are crucial to the long-term success of our organisation. During the initial evaluation phase and on an ongoing basis, we consider our contractors’ records and goals when evaluating vendor relationships.

POLICIES AND DUE DILIGENCE PROCESS

Valeura has established a variety of relevant policies to address modern slavery:

1. Our **Code of Business Conduct and Ethics** sets out the legal and ethical standards of conduct which we require our personnel and contractors to comply with. Amongst other things, it sets out our commitment to honest, ethical, and fair working practices and prohibits the use of child labour, forced labour, and any form of involuntary servitude. Our code explicitly adopts the Human Rights and United Nations Global Compact and its principles.
2. Our **Health, Safety and Sustainability Policy** sets out that all of our partners and contractors are expected to comply with the principles described therein, including upholding human rights, supporting the elimination of modern slavery, working against corruption in all its forms and reporting any and all forms of inappropriate behaviour.
3. Our **Code of Supplier Conduct** reflects our commitment to our values and our expectation that all of our suppliers will adhere to and embrace such values. Adherence to this code is a condition of appointment to be part of our supply chain. This code covers anti-corruption, prohibitions against modern slavery and fair employment practice and treatment. This code also requires that all contractors/suppliers grant us audit rights to ensure their compliance with the code.

We may terminate our relationship with any person or organisation that does not comply with any of the above policies. Complete copies of these policies are available on our website at www.valeuraenergy.com under the Responsibility webpage.

In order to prevent modern slavery in our business and supply chain, we have also implemented internal accountability standards and procedures.

Internal Leadership:

Our procurement board committee, which is composed of members of our senior management team, ensures that our operating team conducts Service Quality Management (“SQM”) forums throughout the year with our contractors to update them on our prevailing policies and requirements, including practices designed to prevent modern slavery.

Risk Assessment:

We undertake a periodic risk assessment of our supply chain to better understand the potential risks related to modern slavery. These assessments help us understand where human rights and labour issues may exist within our supply chain so that we can prioritise and focus our efforts.

Contracting:

We require all contracts with contractors and vendors to include express prohibitions against modern slavery.

Screening:

We screen and vet all persons (whether employees or personnel of contractors/vendors) working in our areas of operation to ensure compliance. Additionally, our onshore and offshore areas of operations in Thailand are deemed restricted areas by local authorities. All persons (employees and contractors) entering, working and departing our areas of operation have to be identified, verified, logged and tracked by our in-house logistics system (“iLogistics”). Our iLogistics system has been audited under ISO 9001 and certified for 2024.

Reporting:

We maintain whistleblowing procedures and anti-retaliation policies in order to empower and encourage employees and contractors to raise any concerns regarding compliance with applicable policies and applicable law, or any other concerns, without fear of retaliation. **Jasmine/Ban Yen:**

REMEDATION MEASURES

Valeura assessed our activities and supply chains during the year ended 31 December 2023 and we believe that our activities and supply chain carry a low risk of risk of modern slavery being used. If a situation of non-compliance is identified, we will work to develop and implement a corrective plan to improve and remedy the situation. During the year ended 31 December 2023, Valeura did not undertake any measures to remediate the loss of income or specific activities for vulnerable families to remediate modern slavery in our supply chain as no such incidence has been identified.

ASSESSING EFFECTIVENESS

Valeura evaluates modern slavery risks as part of some of the audits conducted by our quality team. We will continue to review, reassess, and further develop our anti modern slavery plans, not only to ensure compliance with applicable law but also to ensure that we fulfil our core values as expressed in this Report.

The policies, processes, and procedures described in this Report are all designed to ensure that Valeura, its partners and contractors at every level are committed to maintaining a workplace and supply chain free of modern slavery.

APPROVAL AND ATTESTATION

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 for the entity or entities 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 above.

Dr. William Sean Guest
Director
Date: May 16, 2024



I have the authority to bind Valeura Energy Inc.

Kelvin Tang
EVP & General Counsel
Date: May 16, 2024



I have the authority to bind Valeura Energy Inc.

