

enCore Energy Corp.

2023 Report under the Fighting Against
Forced Labor and Child Labor in Supply
Chains Act

2023 Report – Introduction

This report is prepared by enCore Energy Corp., America’s Clean Energy Company™ (TSX.V: EU) (NASDAQ: EU), a corporation organized under the laws of British Columbia (herein, “enCore” or the “Company”) in response to the reporting requirements under Canada’s *Fighting Forced Labour and Child Labour in Supply Chains Act* (the “Act”) for financial year ending December 31, 2023 (the “Reporting Period”).

Organizational structure, activities, and supply chain

Structure

enCore is a publicly traded corporation with shares listed on the TSX Venture Exchange and the Nasdaq Stock Market, respectively under the symbol: EU.

Our business operations focus on establishing enCore as a leading US uranium producer with our Corporate Headquarters located in Corpus Christi, Texas. enCore does not own or operate businesses in Canada.

Activities

The Act requires enCore to report (the “Report”) on activities regarding our production, sale, distribution of goods, within and outside of Canada, as well as importation of goods into Canada. During the Reporting Period, enCore did not produce, sell, or distribute goods within or outside of Canada nor engage in importation of goods into Canada. Our business activities centered on completing the refurbishment, wellfields development, infrastructure, and production pattern installations at certain of our South Texas operating locations.

For a comprehensive description of our business activities, please refer to our [2023 Annual Report](#).

Supply Chain

enCore procures a range of goods and services such as pressurized oxygen, sodium bicarbonate, fuels, lubricants, and a variety of other products supportive of its business operations and above-described activities. The Company outsourced selected services such as construction, mechanical, electric, and plumbing to third party trades, heavy equipment operators, general exploration drilling services companies, rented and/or leased heavy mobile and material equipment, and utilized technical and/or engineering consultants.

enCore’s procurement spend was 100% with local suppliers within the State of Texas during the fiscal year ending December 31, 2023.

Steps taken to prevent and reduce the risks of forced labor and child labor?

enCore has integrated human rights measures into our environmental management, health and safety, procurement, and human resources business activities. These measures are outlined in enCore's [corporate governance](#) and in our internal policies and hiring and supplier, merchant, and vendor contracting practices more particularly described below. During financial year ending December 31, 2023, enCore took the following additional steps to prevent and reduce the risks of forced labor and child labor in our operations and supply chain.

- Mapping activities.
- Gathering information on worker recruitment and maintaining internal controls to ensure that all workers are recruited voluntarily.
- Audit Suppliers.
- Other, please specify: See Policies and due diligence processes.

Policies and due diligence processes

Overview

Our policies and due diligence processes mandate adherence to all federal and state regulatory laws, rules, and guidelines including those promulgated by local county and municipal governments in which we operate. We expressly require responsible and ethical business conduct by our directors, officers, employees, suppliers, consultants, contractors, and subcontractors. We continuously work in the conduct of our ordinary course of business to identify and assess impacts in operations, supply chains and relationships to further prevent and reduce these risks associated within the uranium mining sector. enCore is committed to ensuring our operations contribute to the cessation, prevention, and mitigation of forced labor and child labor and its adverse impacts.

During the Reporting Period, enCore did not find nor were we made aware of instances or circumstances giving rise to the risk of forced labor and child labor in our supply chain. Should enCore become aware of circumstances resulting in potential risks of forced labor or child labor, it will take all steps available to it under law and policy to eliminate such circumstances and cooperate with their remediation.

Policies

enCore's [environmental, social, and governance principles](#) are reinforced by our standards of [business and ethical conduct](#), [vendor code of conduct](#), [health, safety, environment and sustainability](#), [human rights](#), and [whistleblower](#) policies. The Company has established oversight committees and management roles responsible for overseeing and evaluating business practices implementing our policies which includes those intended to prevent, mitigate, and remediate (if applicable) risk associated with forced labor and child labor in our operations and supply chain.

[Environmental, social, and governance principals](#) requires the integration of sustainability into all aspects of our business. Leading environmental, social and governance performance is strongly

correlated to strong financial performance and the creation of long-term value for our shareholders and other stakeholders. This includes striving to meet the highest standards, contributing toward sustainable development and serving as responsible natural resource stewards to ensure we make positive and lasting impacts on the communities and nations where we operate including the prevention of risks associated with forced and child labor.

Business and ethical code of conduct outlines enCore's expectation that our directors, officers, and employees uphold high moral and ethical principles and contains both disciplinary and zero tolerance consequences for violations of our core standards to comply with all laws, rules, and regulations, failure to avoid conflicts of interest, breach confidentiality, misuse corporate technology, violate public disclosure, misconduct respecting our customers, security holders, vendors, suppliers, competitors, employees, agents, consultants, and contractors, failure to uphold the health, safety, environmental or sustainability policies or environmental protections, and improper workplace conduct such as, among others, engaging in abusive or harassing behavior of any kind.

Health, safety, environment and sustainability of enCore's facilities operations is founded on the health and safety of its workers, contractors and community, the protection of the environment, and the principles of sustainable development. We are dedicated to standards that are protective of human health and safety and adhere to environmental and social issues that may affect our stakeholders, including minority groups, local landholders, and the communities in which we operate.

Human rights are of fundamental importance to enCore. Our policy expressly states we do not tolerate the use of forced labor, child labor, or human trafficking of any kind in our operations or supply chain. It commits us to avoid infringing, directly or indirectly, on the human rights of all people we employ or engage, within our supply chain, and the members of the communities in which we operate.

Whistleblower policy and reporting system is provided to all employees, contractors, and suppliers (and their workers), as well as the public to anonymously report violations of the law or our policies which includes human rights issues. We have established a third-party central tracking system for any complaint made through the whistleblower hotline to ensure that complaints are investigated, escalated, and remediated, as appropriate.

Vendor code of conduct sets out guidelines and requirements for all suppliers, merchants, and vendors and their respective employees, agents, subcontractors, and affiliates (collectively, the "Vendors"). We understand actions taken by Vendors who provide products and/or services to the Company or who otherwise do business with the Company may influence the reputation and relationships of trust we hold with our customers, employees, and stakeholders. As a result, the Company expects all Vendors to maintain the Company's high legal, ethical, safety, environmental, and human rights standards in connection with all business activities with enCore and, with particularity, our due diligence policies regarding proper hiring and wage practices and risk prevention measures discussed below.

enCore's oversight committees, executive management, and director-leaders manage implementation of our codes of ethical conduct, human rights policies and serve as touchpoints for

inquiries from other departments on issues related to human rights, including forced labor and child labor. Our Chief Legal Officer oversees our grievance mechanism including the whistleblower hotline and, together with enCore's Chief Executive Officer, Chief Financial Officer, and Chief Technology Officer, who comprise our ESG Management Committee, are responsible for evaluating risks associated with human rights and considering human rights impacts and risks on the Company's activities, including risks associated with forced labor and child labor.

Due Diligence

enCore has implemented due diligence processes to prevent and mitigate human rights risks in our operations as outlined in our corporate governance policies previously discussed. More particularly, enCore hiring and wage practices strictly adhere to worker employment eligibility laws, rules, and guidelines established by the US Department of Labor, Wage and Hour Division, U.S. Fair Labor Standards Act of 1938, U.S. Immigration and Nationality Act of 1952, Chapters 51 and 817 of Texas Labor Code, and Child Labor Laws of the Texas Workforce Commission Wage and Hour Department, Child Labor Enforcement (collectively, the "Labor Laws").

Under these Labor Laws, enCore verifies each worker's eligibility for employment, ensures the voluntary nature of their employment, and the lawful age for such employment which, by their definition, prohibit use of forced labor and child labor in the U.S. mining industry.

Our verification process involves completion of an I-9 Employment Eligibility Verification form (the "I-9") by both the prospective employee and enCore as an employer each of whom attest, under penalty of perjury, that all information is true and correct. The physical presentation to, and inspection of original, validly issued qualifying forms of identification and/or documentation prescribed under the Labor Laws is also required. Our process implemented and managed by our Human Resources Department who retains and will make available for audit and inspection by the US Department of Labor, US Department of Immigration, and Texas Work Force Commission throughout an individual's employment and for seven (7) years following termination of employment. At the state level, the Texas Labor Code, and Child Labor Laws adopts the US Federal wages standards, prohibited occupations, and minimum age standards, which prohibits use of forced labor and child labor throughout the US mining industry.

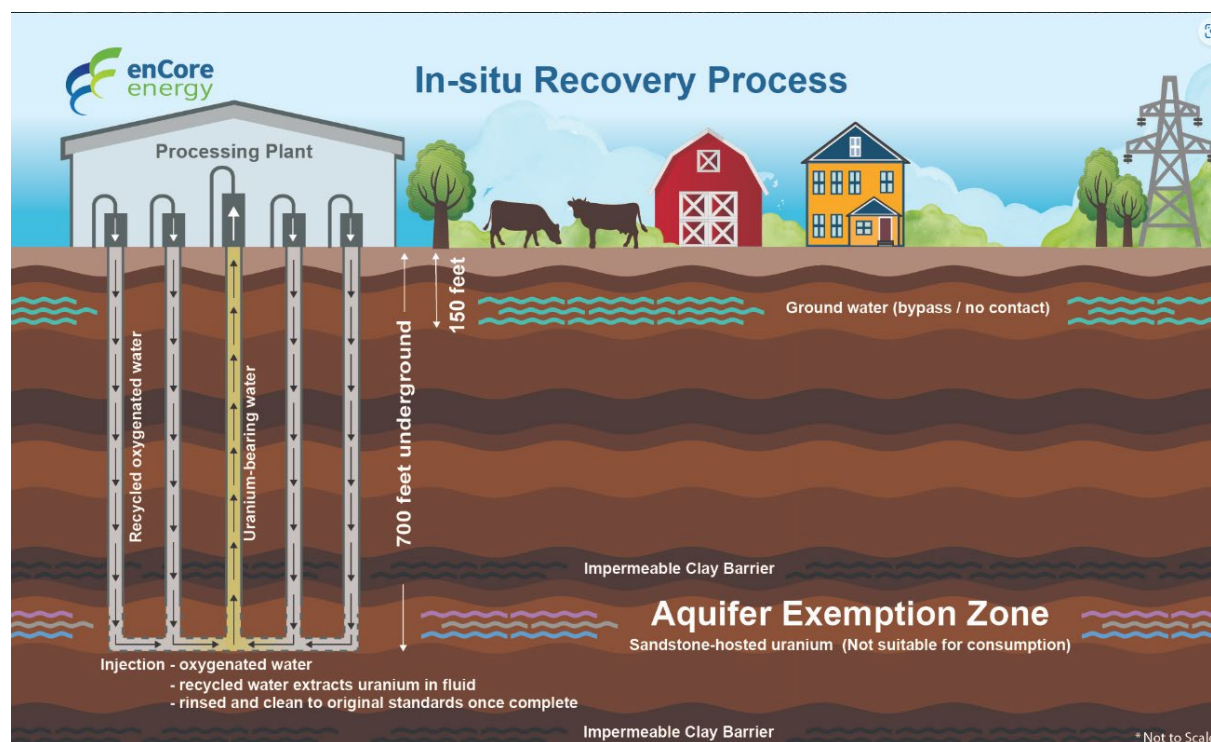
In addition to enCore Vendors code of conduct, Vendors who provide good, services, or personnel our ISR operating locations, receive and must acknowledge their receipt and agreement to adhere to enCore's Guidelines, Rules, and Expectations that, among other things, require:

- (i) they obey and follow all the requirement of federal, state, and local regulations and laws (including the above-described Labor Laws and their document collection and retention practices);
- (ii) that they conduct safe and professional operations under the observation of enCore lead field personnel; and
- (iii) agree to inspection of their activities, operations by federal, state, enCore and owner representatives at any time.

Our Chief Operating Officer, Procurement Department, and lead field personnel manage and implement these risk mitigation processes.

Forced labor and child labor risk

enCore's operations are located in the United States a low-risk jurisdiction, based on our self-assessment applying the Responsible Mineral Initiative [Conflict-Affected and High-Risk \(CAHRA\)](#) tool that uses country-level data indicators spanning multiple topics, including forced labor and child labor. While enCore acknowledges that the nature of mining activities and related supply chains can create potential human rights risks, the Company's exclusive use of ISR technology for uranium extraction is a substantial reduction in this risk exposure. In-Situ Recovery extracts uranium in a wellfield using natural groundwater and oxygen, coupled with a proven ion exchange process, to recover the uranium. Unique to the ISR technology is that exploration begins and ends above ground whereby human capital remains in line-sight as shown in the below illustration.



Remediation measures and remediation of loss of income

enCore's above-described policies and due diligence processes set expectations regarding remediation and ensure, should they arise, that complaints or concerns relating to forced labor and/or child labor are heard and adequately addressed including contributing to their remediation. enCore does not impede access by any person to state-based judicial mechanisms for persons who make allegations of adverse human rights impacts. We do not require individuals to permanently waive their legal rights to bring a claim through a judicial process as a condition of participation in a grievance or mediation process with enCore.

Employee Training

enCore's employee training emphasizes vigilant awareness and execution of our human health, safety, and environmental standards, the critical importance of professional and ethical business conduct, and ardent compliance with the US Federal and Texas State labor and wage laws.

Assessing effectiveness

enCore Energy conducts assessments of effectiveness related to the management of human rights by conducting regular internal audit of operations and internal mid-year effectiveness checks.

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 enCore Energy Corp. Based upon my knowledge, and having exercised reasonable diligence, I attest to the information in this report is true, accurate, and complete in all material respects for the purpose of the Act and for the subject reporting year.

I have the authority to bind enCore Energy Corp.

Paul Goranson
President and Chief Executive Officer
May 31, 2024