

# Fighting Against Forced Labour and Child Labour in Supply Chains Act

2024 Annual Report





## Introduction

We recognize the dignity of all human beings, and our core values embrace these inalienable rights for all people to live their lives free from social, political, or economic discrimination or abuse. We believe business has a constructive role to play to advance respect for human rights. We commit to respecting the human rights of all people and will conduct business consistent with the human rights expressed in the Universal Declaration of Human Rights (UDHR) and the International Labour Organization, Declaration on Fundamental Principles and Rights at Work. Our approach is informed by the UN Guiding Principles on Business and Human Rights.

This approach and our commitment to acting ethically and responsibly in all business relationships reflect our SPIRIT values which guide our operations.



We expect suppliers and contractors working on our behalf to be guided by these principles, and we are committed to continuous improvement, ensuring that our practices evolve to further enhance human rights protections throughout our operations and supply chains.

This Modern Slavery Report details our current initiatives and future plans to identify, prevent, mitigate, and communicate modern slavery risks in our supply chains.

## Reporting Entities

This Modern Slavery Report is made pursuant to *S-211, An Act to enact the Fighting Against Forced Labour and Child Labour in Supply Chains Act and to amend the Customs Tariff* by the reporting entities, namely:

- ConocoPhillips Canada Resources Corp. (BN: 89218 2981);
- ConocoPhillips Canada (BRC) Partnership (BN: 86539 3136);
- ConocoPhillips Surmont Partnership (BN: 88280 4313);
- Conoco Funding Company (BN: 88448 7711); and
- ConocoPhillips Company (BN: 88739 1169).

ConocoPhillips Canada Resources Corp., ConocoPhillips Canada (BRC) Partnership and ConocoPhillips Surmont Partnership are herein collectively referred to as ConocoPhillips Canada.



# Structure, Activities and Supply Chains

## Our Structure

The first four reporting entities identified above are Canadian operating entities and are registered under Alberta law. They are subsidiary entities of ConocoPhillips, which was incorporated under the laws of Delaware and is headquartered in Houston, Texas. ConocoPhillips conducts activities in 14 countries, with about US\$123 billion in total assets and approximately 11,800 employees worldwide at December 31, 2024. Total global company production for the year was 1,987 thousand barrels of oil equivalent per day (MBOED). ConocoPhillips Canada's operations employed 939 people in Canada at December 31, 2024 and produced 164 MBOED in 2024.

Conoco Funding Company (BN: 88448 7711) is a Canadian financing entity that provides funding, as needed, for Canadian capital expenditures and operations. Each entity comprising ConocoPhillips Canada is an indirect subsidiary of ConocoPhillips Company (BN: 88739 1169), which was incorporated under the laws of Delaware, and is a subsidiary of ConocoPhillips. ConocoPhillips Company has limited activities directly in Canada, consisting primarily of the provision of employee services in respect of Canadian projects.

For more information, go to [conocophillips.com](https://conocophillips.com).

## Our Activities

ConocoPhillips' interests and related activities consist primarily of:

- A 100% interest in the Surmont oil sands development in Alberta;
- A 100% working interest in the liquids-rich Montney unconventional development gas field in British Columbia;
- Unconventional exploration plays;
- Natural gas, crude oil, bitumen and natural gas liquids marketing activities; and
- Corporate operations, including functions related to health, safety and environment, supply chain, sustainable development, engineering, maintenance, shutdown, security, finance, information technology, human resources, legal and government and external affairs.

For further information about our Canadian Operations, refer to

[www.conocophillips.ca/who-we-are/our-operations/](https://www.conocophillips.ca/who-we-are/our-operations/)

## Our Supply Chain

At ConocoPhillips Canada, sustainable supply chain practices are fundamental to our operations. We prioritize safety, quality, and sustainability in the selection and management of our suppliers and contractors. Through comprehensive and collaborative efforts, we have developed sourcing strategies and supplier standards that help to ensure our supply chain aligns with our commitment to ethical business practices and SPIRIT values.



Achieving continuous improvement in our supply chain requires building strong relationships with our supply chain partners. We maintain ongoing engagement with suppliers through business reviews, supplier relationship management and supplier audits.

The types of goods and services sourced by ConocoPhillips Canada include:

- Construction Services and Contractors
- Energy Equipment and Services (including heavy machinery and equipment components)
- Materials (including chemicals and construction materials)
- Professional Services (including external consultants, real estate, and temporary labour and recruitment)
- Commercial Services (including facilities maintenance, hospitality, and security)
- Oil and Gas Products and Services (including diesel, fuels, and petroleum products)
- Waste Management
- Transportation
- Utilities (including electric and water utilities)
- Telecommunication Services (including software and IT services)

In 2024, ConocoPhillips Canada had approximately 1,023 active contracts, of which 94% were with Canadian suppliers and contractors. In total, approximately 98% of our annual spend on goods and services was with Canadian suppliers and contractors. The remaining suppliers and contracts, which include over \$31 million CAD in annual spend, are located in the United States of America, France, the United Kingdom, and Norway.

## Policies and Due Diligence

ConocoPhillips has governance requirements applicable to child and forced labour, incorporating responsible business conduct into our policies and management systems.

### Policies

We have established several policies and statements outlining our principles and requirements for suppliers, ensuring alignment with our ethical standards and operational expectations. Our [Human Rights Position](#) is informed by internationally recognized standards such as the:

- Universal Declaration of Human Rights (UDHR);
- United Nations Guiding Principles on Business and Human Rights (UNGPs);
- International Labour Organization (ILO) Declaration on Fundamental Principles and Rights at Work;
- Voluntary Principles on Human Rights and Security;
- ILO Convention 169 on Indigenous and Tribal Peoples; and
- United Nations Declaration on the Rights of Indigenous Peoples (UNDRIP).



The [ConocoPhillips Code of Business Ethics and Conduct](#) applies to all employees, suppliers, contractors, and business partners, and includes a commitment to respect human rights in accordance with the UDHR and the ILO Declaration on Fundamental Principles and Rights at Work. To instill these principles company-wide, all new employees undergo training on the Code, while existing employees attest to their understanding and compliance annually. Suppliers are obligated to comply with the expectations of our Code, as communicated in our agreements, in addition to upholding their own codes of conduct.

Furthermore, the [ConocoPhillips Supplier Expectations](#) sets out specific requirements regarding ethical conduct, including the prohibition of child or forced labour, slavery and human trafficking. Corporate functional documents are reviewed, at a minimum, every five years, and our Code and Supplier Expectations were most recently reviewed and updated in 2022.

ConocoPhillips maintains a commitment to promote ethical conduct in our supply chain, starting with our internal supply chain and procurement functions. Our Supply Chain Standard establishes controls and process governance for our supply chain functions and promotes compliance with various company requirements, such as policies, ethics codes, and internal procedures.

Employees and contractors at ConocoPhillips who are responsible for procuring materials and services are expected to adhere to our [Supply Chain Policy](#). This policy emphasizes the integration of safety, quality, environmental and social responsibility considerations into the selection and management of suppliers.

## Due Diligence in our Supply Chains

We routinely engage with our suppliers through business reviews and supplier audits. These processes aim to identify sustainable development opportunities and potential risks across critical categories.

Suppliers are required to abide by ConocoPhillips' standards, including our Supplier Expectations and Code of Business Ethics and Conduct. As part of the onboarding process, the supplier registration questionnaire for new suppliers asks suppliers to confirm that they follow all applicable legislation regarding human rights and anti-slavery in the countries in which they operate.

Moreover, our contract terms require contractors, suppliers and service providers to adhere to all applicable laws (including, specifically, those relating to human trafficking or modern slavery) and conduct their activities for ConocoPhillips in a manner consistent with our Code of Business Ethics and Conduct.

To strengthen our due diligence efforts, in 2024 ConocoPhillips established a supplier screening and monitoring tool, which we will implement in 2025. This will improve the assessments of suppliers during the bidding process and in-depth due diligence during the onboarding process. Additionally, it will increase transparency across sub-tier supply chains, enabling the identification of potential human rights and environmental risks.



## Modern Slavery Risks

In 2024, ConocoPhillips Canada engaged an independent firm to apply a risk analysis tool to its direct suppliers that considers geographic, industry, and product or service risks. The tool utilizes publicly available, annually updated information from reputable international organizations, in line with the approaches that our affiliated businesses in [Norway](#) and [Australia](#) use to comply with similar legislation.

### Sector Risks

While not specific to our operations, there are general risks of forced or child labour within specific industries from which ConocoPhillips Canada sources its goods. These include the following:

- The **construction industry** is a major spend category, and is estimated to be responsible for approximately 16% of forced labour cases worldwide, according to the International Labour Organization. Additionally, the prevalence of third-party contractors within this industry increases potential risks, as they often rely on temporary or migrant workers, who may be more vulnerable to discrimination and exploitation.
- The **commercial services industry**, which includes facility maintenance, security services, and hospitality, has high risks of forced labour, as positions are often low-skilled, low-paid, temporary, or seasonal. Workers in these positions tend to include vulnerable populations and may be subject to long working hours, involuntary overtime, poor employment terms, and hazardous working conditions.
- The **oil & gas industry** includes the exploration and development of oil fields through refining and producing petroleum products. These services can carry risks of forced labour such as when temporary workforces operate in hazardous conditions and work excessive hours.
- The **waste management industry** has risks of forced labour, as the industry often relies on temporary or migrant workers recruited by sub-contractors who are more vulnerable to exploitation and abuse, including human trafficking. Workers are also exposed to poor or hazardous working conditions with high risks of injuries and accidents.
- The **manufacturing industry**, which is part of ConocoPhillips' upstream supply chain, includes potential risks of forced labour due to the prevalence of low-skilled positions. These positions can expose workers to hazardous conditions, long working hours, or involuntary overtime.

ConocoPhillips actively mitigates these risks through the due diligence measures and risk management processes outlined in this report.

### Geographic Risks

A third-party assessment tool was used to conduct a risk analysis of 2024 supplier data. Based on these results, ConocoPhillips Canada considers the overall risk of modern slavery in our operations and supply chains to be low. Suppliers are located in Canada, the United States, Norway, the United Kingdom, and France.

Canada, Norway, the United Kingdom, and France are all considered low risk across several modern slavery indicators, including prevalence of child labour, rates of employee overtime, and country ratings for the rule of



law. The United States is considered medium risk due to limited or insufficient alignment with international prohibitions on hazardous work for children (UNICEF) as per third-party assessment modelling.

## Actions Taken to Address Risks

### Prevention

We regularly communicate with our suppliers regarding our expectations, and in 2024 we specifically reached out to remind them of their obligations under Canada's *Fighting Against Forced Labour and Child Labour in Supply Chains Act*, providing them with resources and contact details. These communications serve to remind suppliers of their responsibility to prevent and mitigate risks of forced labour and child labour, directly or indirectly, in the provision of their goods or services to ConocoPhillips Canada.

### Mitigation

Our Sustainable Development Risk Management Standard establishes the process for the assessment and management of risks, including human rights risks, across assets and projects, ensuring corporate oversight and consistent implementation. Risk assessments are conducted annually at a minimum by each business unit and consider the physical, social and political context of our operations. Significant or high risks are documented in the corporate Sustainable Development (SD) Risk Register, which is reviewed annually alongside associated action plans, and regular audits are conducted in each business unit.

All suppliers are required to undergo a vetting process using our vendor vetting checklist, or in accordance with local processes, as stipulated in our Supply Chain Standard. Furthermore, the majority of agreements with suppliers outline expectations for continuous monitoring, granting us the authority to conduct audits or tests to ascertain that services or products are provided or performed in accordance with our standards.

### Remediation

ConocoPhillips provides all stakeholders with access to our 24-hour [Ethics Helpline](#) where they may anonymously report any suspected violations of our Code of Business Ethics and Conduct. The Global Compliance and Ethics function manages inquiries and concerns from employees and stakeholders. The team responds to these submissions and investigates alleged violations of the Code of Business Ethics and Conduct, implementing remedial and disciplinary actions as necessary.

We expect suppliers to adhere to the standards outlined in our Code of Business Ethics and Conduct and Supplier Expectations and any violation (including in respect of modern slavery issues) may lead to termination of the supplier's agreement.

In 2024, we were informed by one of our suppliers that a sub-supplier had been added to the U.S. Department of Homeland Security's Uyghur Forced Labor Prevention Act (UFLPA) Entity List. As a result, the relevant components provided by that sub-supplier, which had already been delivered to Canada for intended use by



ConocoPhillips, could no longer be used and were destroyed. We worked quickly and closely with our supplier to source a new vendor for the parts and confirmed that no further legal action was required.

In 2024, we did not receive any other complaints or grievances regarding child labour or forced labour. Nor did we identify any loss of income to vulnerable families resulting from measures taken to eliminate the use of forced labour or child labour in our activities and supply chains.

## Training

All new employees undergo training on the Code of Business Ethics and Conduct, including a module on Human Rights. Current employees are periodically required to repeat training. All active employees are required to complete the annual attestation to our Code of Business Ethics and Conduct.

In 2024, our Supply Chain team developed and started delivering training for employees on forced labour and child labour. This training covers the definition, impacts and signs of modern slavery; sector- and company-specific risks; and ConocoPhillips' response and expectations of employees. This was initially delivered to 60 employees in the Supply Chain team, and will be expanded to contract holders and the health and safety and human resources teams in 2025.

In addition, the Sustainable Development team participated in the Global Supply Chain Compliance Series, presenting to global supply chain colleagues on human rights and modern slavery. The session focused on raising awareness of the critical topic highlighting emerging legal requirements.

## Assessing Effectiveness

As part of ConocoPhillips' commitment to ethical conduct, we recognize our responsibility to assess the effectiveness of the measures we undertake.

In 2024 we completed the commitments we had made. We:

- Created a **Communications Plan** to identify and prioritize internal audiences for engagement on the topic of modern slavery;
- Conducted a **Gap Analysis** based on the risk analysis;
- Enhanced our **Supply Chain Due Diligence Processes**; and
- Developed and delivered **Employee Training** on child and forced labour.

We strive to continuously improve our processes for identifying, mitigating and remediating modern slavery risks throughout our operations.

In 2025, we intend to:

- Apply our **supplier screening** and monitoring tool to more suppliers;
- Roll out our **training** on child and forced labour to other teams;
- Integrate child and forced labour **indicators** into our quality assurance and control questionnaires.



## Consultation and Requesting Information

ConocoPhillips consulted with the reporting entities on the development of this report.

Requests for both general information and specific details related to our operations, supply chain, or business practices can be made through the following channels:

For our **on-line portal**, click here: "**Contact Us**".

Stakeholders can also contact us via:

- Phone: 403 233 4000
- Location: ConocoPhillips Canada Headquarters, Calgary, Alberta

## Approval and Attestation

In accordance with the requirements of the *Fighting Against Forced Labour and Child Labour in Supply Chains Act*, and in particular section 11 thereof, I, in the capacity of President, attest that I have reviewed the information contained in the report on behalf of the governing body of the 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 within this report.

**Nick McKenna**  
**President, Canada, Director**

I have the authority to bind ConocoPhillips Canada Resources Corp., on its own behalf and as managing partner of ConocoPhillips Surmont Partnership and ConocoPhillips (BRC) Partnership and for Conoco Funding Company

**Kelly B. Rose**  
**Director**  
**Senior Vice President, Legal, General Counsel**

for ConocoPhillips Company