

May 14, 2026

MODERN SLAVERY REPORT 2025

HIGHWOOD ASSET MANAGEMENT LTD.

This Modern Slavery Report (the “**Report**”) addresses the period from January 1, 2025, to December 31, 2025, and has been prepared in compliance with Bill S-211, an act to *enact the Fighting Against Forced Labour and Child Labour in Supply Chains (Canada)* (the “**Act**”). This report is made on behalf of Highwood Asset Management Ltd. (“**Highwood**” or the “**Company**”).

Introduction:

Highwood understands the importance of preventing and reducing the risk of forced labour and child labour in our supply chains. Forced labour and child labour, as defined in the Act, are serious crimes and violations of human rights. Highwood recognizes the important role the Company has in ensuring our operations and supply chain adhere to the utmost ethical standards. This Report describes the steps Highwood has taken in 2025 to prevent and reduce the risk that forced labour or child labour is used at any step in the production of goods in Canada or elsewhere by Highwood or of any good imported into Canada by Highwood or third parties supplying the Company.

Preventative measures taken to prevent and reduce the risk that forced labour or child labour is used at any step of the production of goods in Canada, or elsewhere by the entity of good imported into Canada by the entity:

This section summarizes the steps Highwood took during 2025 to prevent and reduce the risk that forced labour or child labour is used at any step of the production of goods in Canada or elsewhere by Highwood or of goods imported into Canada by Highwood. In 2025, Highwood continued to enhance its due diligence approach, strengthen internal awareness, and reinforce expectations with Suppliers.

- Enhanced due diligence policies and processes for identifying, addressing, and prohibiting the use of forced labour and/or child labour in Highwood’s activities and supply chains, including reinforcing expectations during Supplier onboarding and engagement.
 - Continued promoting awareness among individuals working for Highwood on recognizing and escalating potential indicators of forced labour and child labour.
 - Expanded discussions with Suppliers on the policies and procedures they have in place for identifying and prohibiting the use of forced labour and/or child labour in their activities and supply chains, and reiterated Highwood’s expectation of legal and ethical compliance.
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- Continued reviewing guidance and materials from third-party experts and other resources on legislative frameworks and evolving expectations to help determine additional steps the Company may take to meet, or exceed, applicable requirements.

Highwood is committed to conducting business at the highest levels of ethical business practice and conduct.

Structure, Activities and Supply Chains:

Structure and Activities

Highwood is an oil and gas company headquartered in Calgary, Alberta, Canada. Highwood's primary business is the exploration and development of our oil and gas properties in the Western Canadian Sedimentary Basin. Highwood currently has properties located in Alberta, Saskatchewan and British Columbia. Highwood's current operations are primarily focused in the Brazeau and Wilson Creek areas located in Alberta.

Additional information regarding the corporate structure, operations, and the industry conditions related to Highwood is available in the Company's Annual Information Form (the "AIF") for the year ended December 31, 2025. The AIF is available on the Company's website www.highwoodmgmt.com or on SEDAR+ www.sedarplus.com.

Supply Chain

Highwood's supply chain includes businesses that supply goods and services to the Company, which includes several trusted vendors, suppliers, contractors and subcontractors (collectively the "Suppliers") involved in procuring goods and services that are required for Highwood operations. Highwood strives to build relationships with Suppliers who align with the Company's values and operate legally, ethically, and responsibly.

Highwood has over 300 Suppliers that are engaged to provide goods and services to the Company. The Suppliers Highwood obtains goods and services from are primarily local and adhere to regulations in Canada for oil and gas production, which are among the highest standards in the world.

Highwood has not identified any forced labour or child labour in our activities and supply chains.

Policies and Due Diligence

Policies

Highwood's corporate governance policies communicate our high values and expectations of ourselves and our Suppliers. Highwood emphasized that we do not tolerate any form of forced labour or child labour at Highwood, nor with any of our Suppliers. Highwood's staff and Suppliers all play a role in ensuring that we carry out our business activities in an ethical, legal, and responsible manner. We have an expectation that staff and Suppliers will uphold our corporate governance policies which are available on our website.

Policies in place at Highwood include:

- Code of Business Conduct and Ethics
 - Highwood is committed to conducting our business in an ethical, legal, and responsible manner. Our Code of Business Conduct and Ethics is the building block of Highwood's policies and sets out guiding principles on professional conduct and establishes that in
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performing their job duties, Highwood employees should always act ethically, legally, and responsibly in the best interests of Highwood.

- Whistleblower Policy

- Highwood's Whistleblower Policy provides a system for staff to report concerns regarding any wrongdoing without the fear of any repercussions. The Whistleblower Policy is intended to encourage and enable employees to raise serious concerns within Highwood. The Whistleblower Policy applies to all staff working for Highwood. Furthermore, it is intended to provide a means for Suppliers, shareholders, etc. to voice any concerns regarding Highwood's business conduct.

Due Diligence

Highwood expects all staff and all Suppliers that we work with to adhere to the core principles and values that Highwood abides by, and to comply with all applicable laws and regulations. Staff of Highwood all review Highwood's corporate governance policies and confirm in writing that they have read and understand the applicable policies. Highwood also takes steps to evaluate Suppliers to ensure their core principles and values adhere to the same levels as Highwood. In addition, Highwood is continuously monitoring the supply chain and business relationships; identifying and assessing any potential gaps in our operations and policies; and providing training and raising awareness to staff and Suppliers to ensure they have an understanding of modern slavery and the impact it has.

Assessing Highwoods Risk

Overall, Highwood operates its business within Canada where there is a low risk of forced labour and child labour. Highwood's workforce is largely comprised of office workers and highly skilled oil and gas field workers, and we believe there is a low risk of forced labour or child labour within our operations.

While Highwood operates in an area of low risk, we acknowledge that certain groups are particularly vulnerable to forced labour and child labour, including, but not limited to:

- Migrant workers
- Contract or temporary workers
- Ethnic and religious minorities; and
- Young or student workers

Highwood continuously seeks to identify any risk areas within our business and supply chain, and if any are found, mitigate the risk and address the issue.

We recognize our responsibility to ensure that forced labour and child labour are not used at any step of the production of goods, whether in Canada or elsewhere, by Highwood or within our supply chain. Below outlines just some of the actions Highwood has taken to address and mitigate these risks:

- Mapping our exploration and production activities (primarily in central Alberta).
 - Monitoring our Suppliers and working with Suppliers with strong ethical reputations.
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- Developing and implementing due diligence policies and procedures to identify and address any use of forced labour and/or child labour in the organization's activities and supply chains; and
- Encourage staff and Suppliers to report any concerns or suspicions of forced labour or child labour.

Remediation Measures

The risk of forced labour and child labour is low in Canada and no instances were found in Highwood's business activities in 2025. As a result, Highwood has not taken any measures to remediate any forced labour or child labour. In addition, Highwood has not identified any loss of income to vulnerable families resulting from measures taken to eliminate the use of forced labour or child labour.

Training and Awareness

Highwood is committed to improving the training and awareness of our Staff to understand, identify and manage the risks of forced labour and child labour in our operations and across our supply chains. Staff at all levels are required to adhere to Highwood's Code of Business Conduct and Ethics policies and ensure it is understood and properly applied to their daily activities. Every new staff member of Highwood must review and sign that they have read, understand and will abide by the Code of Business Conduct and Ethics. All staff are also informed of how to report wrongdoing under the Whistleblower policy and are encouraged to take initiative in reporting any concerns or suspicions of wrongdoing. We also commit to providing our staff with ongoing training opportunities to ensure our staff have the sufficient knowledge.

Assessing our Effectiveness

Based on our review of our existing policies, practices, business activities, and areas we operate in, we believe the risk of forced labour or child labour in our operations or supply chain is low. We monitor compliance with our corporate policies on an ongoing basis. While we have not had any significant concerns or complaints identified to date, we commit to reviewing and addressing any concerns or complaints that are potentially identified.

Approval and Attestation

This Report was approved by Highwood's Board of Directors on May 13, 2026 and has been submitted to the Minister of Public Safety and Emergency Preparedness in Canada. This Report is also available on our website at www.highwoodmgmt.com.

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. 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 2025.

I have the authority to bind Highwood Asset Management Ltd.,



Greg Macdonald
President & CEO

Date: May 14, 2026

Advisories

Forward-Looking Information

Certain statements contained in this report include statements which contain words such as “anticipate”, “could”, “should”, “expect”, “seek”, “may”, “intend”, “likely”, “will”, “believe” and similar expressions, statements relating to matters that are not historical facts, and such statements of our beliefs, intentions and expectations about development, results and events which will or may occur in the future, constitute “forward-looking information” within the meaning of applicable Canadian securities legislation and are based on certain assumptions and analysis made by us derived from our experience and perceptions. Forward-looking information in this report includes, but is not limited to: the steps taken to prevent and reduce risks of forced and child labour; the implementation of policies in relation to forced labour and child labour; training provided to employees in respect of forced labour and child labour; business strategy and outlook; remediation measures in respect of forced labour or child labour; maintenance of existing supplier and partner relationships; supply channels; and other such matters.

The foregoing factors are not exhaustive. Actual results, performance, or achievements could differ materially from those expressed in, or implied by, this forward-looking information and, accordingly, no assurance can be given that any of the events anticipated by the forward-looking information will transpire or occur, or if any of them do so, what benefits will be derived there from. Except as required by law, Highwood disclaims any intention or obligation to update or revise any forward-looking information, whether as a result of new information, future events or otherwise. The forward-looking information contained herein is expressly qualified by this cautionary statement.
