



BATTLE RIVER

ENERGY LTD.

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2023 Battle River Energy Ltd Modern Slavery Report

Introduction

Battle River Energy Ltd. ("**Battle**", "**we**", "**us**" or "**our**") has created this report (the "**Report**") to meet our requirements pursuant to *Canada's Fighting Against Forced Labour and Child Labour in Supply Chains Act* (the "**Modern Slavery Act**"). This Report constitutes our forced labour and child labour reporting statement for the financial year ending December 31, 2023 (the "**Reporting Period**").

Forced labour and child labour (each as defined in the Modern Slavery Act and hereinafter together referred to as "**modern slavery**") are violations of fundamental human rights and are occurring across the globe. As a Canadian exploration and production company, we recognize the responsibility we have to ensure our operations and the supply chains that support our operations adhere to the highest ethical standards which includes the identification and prevention of modern slavery in our business or supply chains.

Battle takes modern slavery and our reporting requirements very seriously and we are committed to ensuring that we adhere to such requirements. We will continue to evaluate and assess our processes with respect to modern slavery in our business over time to ensure we are meeting all applicable reporting requirements and other legislation relating to modern slavery.

Steps to Prevent and Reduce Risks of Modern Slavery

Battle took the following steps during the Reporting Period to prevent and reduce the risk of modern slavery in our business and supply chains:

- received presentations concerning the pending implementation of the Act;
- engaged the services of external counsel to assess the legislative framework and advise Battle;
- reviewed existing frameworks for management of modern slavery risks, and similar frameworks, applied by Canadian and international peers;
- developing a Human Rights Policy that addresses responsibilities associated with modern slavery;
- conducted a review and analysis of current Battle mandates, policies, and procedures as they relate to risks and responsibilities associated with modern slavery; and
- initiated mapping activities to assess modern slavery risk within our supply chains.

We intend to continue to evaluate our reporting processes, ensure that our reporting with respect to modern slavery meets the statutory requirements and assess our policies, due diligence activities and overall business regarding the identification and prevention of modern slavery.

Structure, Activities, and Supply Chains

Operations

Battle is a private Canadian-based energy company headquartered in Calgary, Alberta. Our operations are associated with the exploration and development of conventional oil and natural gas properties. Our operations are located in the Provost area of Alberta and focused on the development of our Mannville land within the Glazier and Monitor operating areas. We strive to ensure safe and reliable operations, including top-tier health and safety performance.

Structure

Battle has approximately 24 employees and 50 contractors (collectively, "**Staff**"), all of whom are located within Canada. Our Staff largely consists of oil and gas professionals, operators in upstream functions, and corporate knowledge workers, including engineering, and other corporate and administrative professionals.

Supply Chains

We do business with a wide range of suppliers, which source materials locally and globally. Battle strives to work with direct (tier 1) suppliers ("**Suppliers**") who operate legally, ethically and responsibly, using risk-based qualification criteria to assess whether they are aligned with our safety and operational integrity requirements, and to protect us from potential legal and reputational risks. Our prequalification assessment includes health, safety, environmental, technical compliance, and financial considerations, among other supply chain metrics.

During the Reporting Period, we procured goods and services from a network of approximately 695 Suppliers. Nearly all our Suppliers were domiciled in North America, with approximately 99 percent based in Canada and less than 1 percent located in the United States. No Suppliers were used in the Reporting Period that were outside Canada and the United States.

Policies and Due Diligence

This section addresses Battle's policies and due diligence processes in relation to modern slavery.

Policies

Battle recognizes that modern slavery is a critical issue, and we stand strongly against this exploitation. Our Staff and Suppliers all play a role in ensuring that we carry out our business activities in an ethical, legal and responsible manner. As part of our commitment to the policies and standards set by the Battle Board of Directors (the "**Board**") and management, Battle seeks to work with Staff and Suppliers who share our commitment. We have an expectation that they will uphold our corporate values.

The following policies and standards guide our commitment to upholding ethical responsibilities with specific human rights language noted:

Code of Business Conduct and Ethics

We are committed to conducting our business in a lawful and ethical manner. Our Code of Business Conduct ("**Code**") is the foundation of our corporate policies and applies to all Board, Staff, and Suppliers in all jurisdictions in which we operate. The Code provides guidelines of how Battle expects to conduct business and serves to:

- emphasize Battle's commitment to ethics and the basic standards of ethical behavior;
- establish expectations with respect to compliance with local, provincial and federal laws;
- provide reporting mechanisms for known or suspected ethical or legal violations; and
- help prevent and detect wrongdoing.

Battle's Whistleblower program described within the Code is available to the Board, Staff, Suppliers, and members of the public to raise concerns anonymously through a third-party operated hotline and provides the mechanisms in which concerns are reviewed, addressed, and investigated, if necessary.

In addition to the above, we intend to regularly evaluate our approach with respect to modern slavery to ensure the effectiveness of our methodology, including amending existing policies and implementing new policies, as necessary, to prevent modern slavery from occurring in our business.

Due Diligence

Battle expects our Board, Staff, and Suppliers to adhere to ethical and lawful business practices.

To ensure we are not unknowingly engaged in business with any entities engaged in modern slavery, our Supplier due diligence includes the following steps:

- Engaging with Canadian-based companies, which are subject to local laws including employment and labour laws, to the fullest extent reasonable;
- Collecting sufficiently detailed supplier information prior to engaging in business; and
- Monitoring and evaluating supply chains and business relationships.

Activity and Supply Chain Risks

Risks with respect to modern slavery exist across all industries and sectors. Given that our workforce is comprised of office workers and skilled oil and gas workers based in the Provost area of Alberta, Canada, we consider that there is low risk of modern slavery within our direct operations. Battle has determined that our most significant risks with respect to modern slavery are from sourcing specific products and services originating from global regions with high prevalence of modern slavery identified on external databases. Though all our Suppliers are domiciled in countries with low prevalence and vulnerability to modern slavery, we appreciate that many of our Suppliers supply us with products that originate from other jurisdictions, and all have their own global supply chains, and additional work is required to assess and understand this risk.

Remediation Measures

In 2023, Battle did not identify any instances of modern slavery in our operations or supply chain. As a result, we have not had to take any measures to remediate any modern slavery or to remediate the loss of income to the most vulnerable families that resulted from any measure taken from any of Battle's actions.

Training

When onboarding new Staff, we provide training regarding our safety commitments and the *Code of Business Conduct*. We will provide additional targeted training as necessary to Staff.

Battle is also committed to improving the capacity of our Staff to understand, identify, and manage the risks of modern slavery in our operations and across our supply chains through a townhall update of the modern slavery legislation.

Assessing Our Effectiveness

Based on the review of our existing policies and practices which address modern slavery risks, Battle believes that our operational modern slavery risk is low. We apply due diligence processes to our Suppliers that provide good and services, who are also required to comply with domestic and international laws. We continue to be guided by our policies and principles in our relationships with our partners, including working with reputable companies, who are required to comply with domestic and international laws.

Looking Forward

Preventing and addressing modern slavery risks in our operations and supply chains is an ongoing process that requires continued monitoring and evaluation. Battle is committed to conducting its business in a manner that prohibits modern slavery. We expect all Board, Staff, and Suppliers working on our behalf to adhere to these principles. Battle will continue to respect human rights and act with integrity in our operations and business dealings.

Approval and Attestation

This report was approved by Battle's Board on May 28, 2024 pursuant to paragraph 11(4)(a) of the Modern Slavery Act and will be filed with the Minister of Public Safety and Emergency Preparedness.

In accordance with the requirements of the Modern Slavery Act, and in particular section 11 thereof, I attest that I have reviewed the information contained in this Report for the entity listed above. Based on my knowledge, and having exercised reasonable due diligence, I attest that the information in this Report is true, accurate and complete in all material aspects for the purposes of the Modern Slavery Act, for 2023.



Greg Kuziak
Vice President and Chief Financial Officer
May 29, 2024

I have the authority to bind Battle River Energy Ltd.