

CNOOC PETROLEUM NORTH AMERICA ULC and CNOOC CANADA ENERGY LTD.
ANNUAL MODERN SLAVERY ACT REPORT
For the Year Ended December 31, 2024

INTRODUCTION

CNOOC Petroleum North America ULC (“CPNA”) and CNOOC Canada Energy Ltd. (“CNOOC Canada”) are committed to preventing the occurrence of forced labor and child labor in our operations and supply chains. We do not tolerate child labor, forced labor or any other form of slavery and we expect that our suppliers share our commitment to ethical and responsible business practices and support our values.

This report (the “Report”) has been prepared pursuant to the Canada *Fighting Against Forced Labour and Child Labour in Supply Chains Act* (the “Act”) and outlines the actions we have taken during the year ended December 31, 2024, to prevent and reduce the risk of forced labor or child labor occurring in our business. This does not apply to any other supply chain legislation in other jurisdictions.

This Report has been prepared as a joint report and applies to CPNA and CNOOC Canada (the “CNOOC Entities”). The use of the words “we”, “us” and “our” refers to the CNOOC Entities.

This Report has not been prepared as financial or investment advice or to provide any guidance in relation to our future performance. Readers should review the disclaimers at the end of this Report.

In addition, information contained on websites referenced in this Report is not incorporated by reference.

STRUCTURE, ACTIVITIES AND GOVERNANCE

A. Our Structure and Business

The CNOOC Entities were formed in British Columbia with headquarters in Calgary, Alberta, each of which is an indirect wholly owned subsidiary of China National Offshore Oil Corporation (“CNOOC”). Both CNOOC Entities meets the Canadian business presence and size-related thresholds.

The CNOOC Entities operate in the following industries: oil and gas extraction; petroleum and coal product manufacturing; support activities for mining, and oil and gas extraction; and petroleum, petroleum products, and other hydrocarbon merchant wholesales. In those industries, the CNOOC Entities’ activities can be described as follows: (i) producing goods (including manufacturing, extracting, growing and processing), in Canada; and (ii) importing into Canada goods produced outside Canada.

The CNOOC Entities’ business takes place entirely within Canada and consists of operation of oil sands projects in Alberta, working interests in non-operated oil sands projects in Alberta, and non-oil sands projects in Canada:

Operated Oil Sands in Alberta	Non-Operated Oil Sands in Alberta ¹	Non-Oil Sands Projects
<ul style="list-style-type: none">Long Lake (100% WI)Cottonwood (100% WI)Leismer (100% WI)	<ul style="list-style-type: none">Syncrude (7.23% WI)Hangingstone (25% WI)Meadow Creek (25% WI)Corner (26.5% WI)Oslo (22.2% WI)Chard (26.3% WI)	<ul style="list-style-type: none">Balzac Power Station (50% WI)Soderglen Wind Farm (50% WI)Shale gas in NE BC (60% WI)

¹ Each assets contain the working interest (“WI”) of CPNA.

B. Employees

CNOOC Entities had 258 full-time salaried employees, 87 hourly non-union employees, 12 hourly union employees, and 33 fixed term contractors as of December 31, 2024, for a total of approximately 390 employees.² This number is not indicative of the total number of employees at any time throughout the year as the Canadian construction industry is seasonal in nature, with less work performed in the winter and early spring months, and it may also vary depending on the number and nature of ongoing projects, acquisitions, divestitures and restructuring initiatives.

C. Governance

The board of directors (the “**Board**”) of CPNA is committed to fostering a healthy governance culture at the CNOOC Entities. The Board believes that such culture requires that directors be aware of both internal corporate and external developments that may affect the business and affairs of the CNOOC Entities, and its affiliates, and that an atmosphere of open communication, trust, candor and healthy debate be part of the corporate decision-making and directorial oversight process. In order to promote this, CPNA has a Compliance Committee with responsibilities for the Act.

The Compliance Committee provides oversight and guidance to ensure effective internal and external compliance, including compliance with all applicable laws and regulations and promotes practices that foster an environment within CNOOC Entities, and amongst its employees, of working with integrity, in accordance with good business practices.

OUR SUPPLY CHAINS

The CNOOC Entities procure goods and services from a network of:

- 741 Tier 1 suppliers from varying categories of suppliers located across Canada, China, Denmark, Ireland, Israel, Norway, Suriname, United States of America, and United Kingdom.
- The spend across each of the countries is listed below:
 - Canada – 99.5%
 - US – 0.26%
 - Other – 0.24%
- The spend on suppliers is split into goods (98%) and services (2%).

Tier 1 suppliers are suppliers from whom we directly procure materials that are used in the day-to-day operations of our business on standard purchase order terms and conditions. The materials we utilize are engineered specified materials, consisting of typical industrial items (pipes, valves fittings, chemical products, and consumable repair materials); crude and natural gas products; chemicals; and maintenance and support of hardware infrastructure; software applications; and service consultants. Outside of the direct procurement of materials, there are service suppliers who provide direct services to the CNOOC Entities including for maintenance and operation of oil and gas producing facilities, underground pipelines, above ground refinery units and a power plant. We also procure goods and services that support our day-to-day operations; transportation and storage of gas and crude products; and reporting obligations.

A. Policies

CNOOC International Limited (“**CI**”) has implemented a Compliance Manual for Entities and Employees (the “**Code**”) that establishes specific standards of ethical business practice and conduct expected of all

² Joint venture employees and independent contractors are excluded from these figures, as they are not employed by the CNOOC Entities.

directors, officers, employees, and contractors of CI's affiliates, including the CNOOC Entities. The Code requires that directors, officers, employees, and contractors act with fairness and provide a safe and respectful work environment, where all individuals are treated with dignity and respect.

The supply chain for the CNOOC Entities is led by the internal supply chain department, utilizing global supply chain management procedures set out for all of CI's affiliates, as well as local policies and procedures that directly affect the work for the CNOOC Entities. Such policies include:

- CNOOC Limited Compliance Manual for Entities and Employees;
- Standard for SCM Procurement and Contracting;
- Procedural Aid for Local Contracting;
- Standards for Purchase Documents;
- Standard for Commercial Basis for Operations; and
- CNOOC North America Compliance Committee Procedural Aid.

Within these policies there are several references to ensuring that each supplier is in compliance with all Canadian laws, thereby including the Act.

B. Due Diligence Processes

The CNOOC Entities conduct regular due diligence on all suppliers. Standard due diligence processes for new suppliers include thorough identity verification, and credit assessments, which are regularly updated to ensure ongoing compliance and risk management. The CNOOC Entities due diligence process has been enhanced in 2024 and will continue to evolve.

C. Risks of Forced Labor and Child Labor in our Business and Supply Chains

The CNOOC Entities are committed to preventing the risk of forced labor and child labor in their business operations and supply chains. The companies in our supply chain are comprised of highly educated and skilled energy professionals, providing specific subject matter expertise, operations maintenance, or project construction services. The process of identifying parts of our activities and/or supply chains that carry risks of forced labor or child labor being used is ongoing and shall continue through the 2025 calendar year. To date, the CNOOC Entities have not identified any instances of forced labor or child labor in its activities and supply chains related to any of the sectors and industries it operates in.

However, the CNOOC Entities acknowledge that there are opportunities to assess the risk of child labor and forced labor within our supply chain. Specifically, we will continue to improve how we assess the origin of goods, or the components and materials, that we procure from other jurisdictions where the risk of child labor or forced labor is higher.

D. Remediation Measures

The CNOOC Entities, for the year ending December 31, 2024, have not taken any measures to remediate any forced labor or child labor in its activities and supply chains, as we have not identified any forced labor or child labor in its activities. In addition, as the CNOOC Entities, for the year ending December 31, 2024, have not identified risks of loss of income to vulnerable families resulting from measures taken by the CNOOC Entities to eliminate the use of forced labor in our activities or supply chains, and, as such, remediation measures relating to this risk have not been analyzed or required.

E. Employee Training

The CNOOC Entities training program is under development, albeit has not been implemented in 2024 on forced labor and/or child labor.

The CNOOC Entities are in the process of, and are committed to developing, a mandatory training program for employees of the CNOOC Entities that are involved in the procurement process. This training will provide an overview of the Act, and what individuals can do in monitoring and reporting any activities that could compromise the integrity of the CNOOC Entities in regards the Act (the “**Training Information**”). Training for employees on the Act and the Training Information will be complete by no later than the end of 2026 and will be an annual training, with all employees involved in the procurement process receiving the training during onboarding as well as the annual training for all applicable employees.

Further, we will communicate the Training Information to all employees of the CNOOC Entities and all employees will be required to acknowledge that they have read and understood the Training Information and taken the annual training, which will be tracked internally.

F. Measuring Our Effectiveness

The CNOOC Entities are in the process of formalizing a process for measuring effectiveness in the mitigation and prevention of forced and child labor risks, in addition to the current process of a periodic review of our activities, suppliers and supply chain. The development of a process shall continue during 2025.

In relation to our supply chain, we are in the process of, and are committed to revising existing Agreements with suppliers, with additional obligations for such suppliers to disclose their plans to comply with the Act. We will be auditing such suppliers against their supplied plan within one year of receipt and subsequently on a yearly basis thereafter. We commit the CNOOC Entities to employing remediation measures if, within one year following the audit results, a risk of forced labor or child labor is disclosed within our supply chain.

DISCLAIMERS

This Report does not constitute or form part of any offer or invitation to sell or issue, or any solicitation of any offer to purchase or subscribe for any securities.

Certain information in this Report may constitute forward-looking information. Specific forward-looking information in this Report includes, without limitation, statements relating to our future plans for training employees and supplier employees on forced and child labor, our intentions to change Agreements to ensure more robust acknowledgements of and compliance with the Act and our intentions to improve how we assess the origin of goods, or the components and materials, we procure from other jurisdictions where the risk of child labor or forced labor is higher. Forward-looking information may also include information regarding our respective future plans or objectives or other information that is not comprised of historical fact and includes statements that contain words such as “could”, “should”, “anticipate”, “expect”, “plan”, “estimate”, “target”, “continue”, “could”, “intend”, “may”, “potential”, “predict”, “should”, “will”, “objective”, “project”, “forecast”, “goal”, “guidance”, “outlook”, “effort”, “seeks”, “schedule”, “proposed”, “aspiration” and similar expressions suggesting future outcomes or events. Any such forward-looking information is based on information currently available to us and is based on assumptions we believe are appropriate in the circumstances.

However, such forward-looking information involves significant risks and uncertainties. A number of factors could cause actual results to differ materially from those discussed in the forward-looking information. We caution readers not to place undue reliance on any such forward-looking information. Such

information is current only as of the date on which it was made.

In addition to events beyond each of the CNOOC Entities' control, there are factors which could cause actual or future results, performance or achievements to differ materially from those expressed or inferred herein including, but not limited to: the risk of receiving untruthful or inaccurate responses or information from suppliers, the risk of changes in each of the CNOOC Entities' supply chain due to project requirements or the availability of materials, goods and services. These forward-looking statements are based on a variety of factors and assumptions including, but not limited to, that: there are no unforeseen changes to economic and market conditions, and no significant events occur outside the ordinary course of business. These assumptions are based on information currently available to the CNOOC Entities.

Unless otherwise required by applicable laws, we do not intend, nor do we undertake any obligation, to update or revise any forward-looking information contained in this Report.


BOARD APPROVAL – REPORTING YEAR 2024

This report was approved by the Board of both CNOOC Petroleum North America ULC and CNOOC Canada Energy Ltd. on 5/22/2025, pursuant to section 11(4)(b)(ii) of the Act.

CNOOC Petroleum North America ULC

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.

For clarity, I have provided the attestation above in my capacity as a director and officer of CNOOC Petroleum North America ULC and not in my personal capacity.

Signed by:

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Tian Peng
Director


Date: 5/22/2025

I have authority to bind CNOOC Petroleum North America ULC.

CNOOC Canada Energy Ltd.

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.

For clarity, I have provided the attestation above in my capacity as a director and officer of CNOOC Petroleum North America ULC and not in my personal capacity.

Signed by:

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Tilak R.K. Nithiyeswaran
Director

Date: 5/22/2025

I have authority to bind CNOOC Canada Energy Ltd.