



2024 Modern Slavery Report

Ember Resources Inc.

This report is made by Ember Resources Inc. ("Ember" or the "Company") pursuant to the *Fighting Against Forced Labour and Child Labour in Supply Chains Act* (Canada) (the "Act") for the financial year ending December 31, 2024.

INTRODUCTION

Forced labour and child labour, each as defined in the Act, are crimes and serious violations of human rights. As a Canadian natural gas company, Ember recognizes the important role it has in ensuring that its operations and the supply chain that support its operations, adhere to the highest ethical standards, including supporting and upholding human rights. This report describes our ongoing efforts to engage with our suppliers, identify modern slavery risks and enhance internal processes to mitigate those risks within our business operations and supply chain.

STEPS TAKEN IN 2024

In general terms, Ember took the following steps during 2024 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 Ember or of goods imported into Canada by Ember:

- began rolling out the Company's Vendor Code of Conduct to suppliers.
- engaged a third-party company to assist the Company in conducting initial modern slavery-related supplier due diligence; and
- provided training to staff, consultants and key vendors on the terms of the Company's Vendor Code of Conduct.

Details of the above actions are set out in this report.

OUR BUSINESS

Ember is a natural gas development and production company focused on the extraction of natural gas derived primarily from coal or coalbed methane in the province of Alberta, Canada. The Company's primary land base is concentrated in south central Alberta, from Strathmore, north to Camrose. Further information on Ember's properties and operations can be accessed on the Company's website at www.emberresources.com.

Ember is a private company controlled by Brookfield Capital Partners Ltd. and is incorporated under the *Business Corporations Act* (Alberta). Ember's headquarters are located in Calgary, Alberta.

As at December 31, 2024, Ember had approximately 80 head office employees and 120 field employees. All the Company's employees are located in Alberta, Canada and are generally a specialized workforce of professionals and technicians.

SUPPLY CHAIN

In 2024, approximately 99% of the Company's procurement expenditures were paid to suppliers domiciled in Canada, with most of the remainder paid to vendors domiciled in the United States. Ember's procurement activities related primarily to the purchase of goods and services in conjunction with the operation and maintenance of its wells and related facility infrastructure and Ember's natural gas exploration, well abandonment and reclamation activities. Significant goods and services within Ember's supply chains include:

- power, fuel, chemical and transportation costs associated with production volumes;
- vehicle and equipment purchase and rentals;
- materials consumed and associated labor costs in maintaining Ember's facility infrastructure and production volumes and reclamation and abandonment activities;
- materials consumed and associated labor on the drilling, (re)completion of wells and construction of the supporting facility and pipeline infrastructure; and
- software licensing costs and information technology hardware in the field and head office.

KEY POLICIES

Ember's Code of Business Conduct, Vendor Code of Conduct and Whistleblower Policy are the primary policies respecting the ethical conduct of its business, vendors, consultants and employees. Through corporate policies, the Company communicates its values and expectations on how to conduct business. Ember believes that ethical behavior leaves no room for any form of forced labour or child labour. Ember is committed to ensuring that none of the Company's direct operational activities or activities from suppliers have a negative impact on human rights.

Code of Business Conduct

The Code of Business Conduct Policy applies to all directors, officers, employees and consultants of Ember and requires adherence to the highest ethical standards in its business activities. The policy sets out, among other things, core principles, guidance on application of these principles and requirements for compliance with laws and regulations, including environmental health and safety, human rights and anti-bribery and corruption practices.

Vendor Code of Conduct

The Vendor Code of Conduct was established in 2024 and requires anyone who provides goods or services to Ember to comply with all applicable laws, rules and regulations and to adhere to the principles and standards within the document. Ember expects vendors to have the necessary policies and procedures in place to support such commitments within their own supply chain. Specific requirements of the Code include that vendors must not use or permit any form of forced, coerced, involuntary, bonded, trafficked, indentured or child labour and must comply with all reporting and diligence requirements under modern slavery legislation and other applicable laws.

Whistleblower Policy

Employees and consultants of Ember are provided a confidential and anonymous forum, without fear of

retribution, to submit their concerns to the Board of Directors regarding, among other things, questionable ethical and moral matters and conduct which may result in a violation of law, Ember's Code of Business Conduct or its Vendor Code of Conduct. Pursuant to the terms of the Whistleblower Policy, the Company strictly prohibits any discrimination, retaliation or harassment against any person who reports an incident.

Complete copies of the above policies are available on the Company's website at www.emberresources.com.

DUE DILIGENCE PROCESSES AND RISK ASSESSMENT

Ember assesses risk based on industry, geographic location, workforce makeup and entity specific considerations. The company continues to engage a diverse range of suppliers from established oil and gas companies to local Alberta family-owned businesses, for a range of goods and services. Ember's business activities are carried out exclusively in Western Canada in compliance with applicable labour and employment laws, including those governing minimum working age and working conditions. Ember's Canadian workforce generally consists of specialized labour (professional and technicians), which is lower risk for modern slavery. Accordingly, the Company believes that there is no appreciable risk of forced labour or child labour in its direct operations.

Although the vast majority of Ember's procurement expenditures in 2024 were paid to suppliers domiciled in Canada, the Company recognizes that there is still a risk of forced labour or child labour in its supply chain, particularly with respect to the indirect procurement of goods produced in higher risk industries or that may have been originally sourced from higher risk jurisdictions. In 2024, the Company developed and implemented a plan to conduct preliminary due diligence of its supply chain with a view to assessing such risk. The Company engaged a third-party provider to help issue a Modern Slavery Supplier Questionnaire to certain suppliers that had been internally assessed as higher risk, through a targeted information gathering process with these suppliers. The questionnaire requested these suppliers provide details about their business structure, internal processes and policies, supply chain visibility, employee training, internal and external audit provision, and employee entitlements. Supplier responses were analyzed internally for potential modern slavery risks in their operations and/or supply chain. Although none of the assessed suppliers who responded to the survey reported any incidents of forced labour or child labour, some suppliers exhibited supply chain risk based on the geographic location of the operations of their suppliers and the type of industry of the goods being supplied. The Company continues to evaluate the survey results, including whether any additional steps are warranted to further strengthen its due diligence regarding the risk of forced labour and child labour in its supply chain.

REMEDATION MEASURES

Ember is not aware of any instances of forced labour or child labour in its operations or supply chain in 2024. Consequently, the Company did not need to take any measures to remediate any forced labour or child labour, or to remediate any resulting loss of income to vulnerable families.

The Company acknowledges the importance of vigilance and ongoing monitoring to ensure that modern slavery risks remain mitigated within our operations and supply chains. We are committed to regularly reviewing our risk assessments and continually improving our policies and procedures to better identify and mitigate any risk of forced labour and child labour throughout our operations or supply chains.

TRAINING

Ember personnel at all levels are required annually to review and sign-off their adherence to the Company's Code of Business Conduct and other policies. Personnel are also informed on the procedures to report concerns under Ember's Whistleblower Policy. Education also occurred for staff, consultants and key vendors in conjunction with the rollout of the Company's Vendor Code of Conduct in 2024.

ASSESSMENT OF EFFECTIVENESS

As a part of Ember's corporate governance process, the Company monitors compliance with its policies on an annual basis. Policies including the Code of Business Conduct and Whistleblower Policy are reviewed and acknowledged by all current and new employees annually to ensure that the Company's ethics are at the top of mind and to encourage reporting of any wrongdoing by the Company's employees. In 2024, no concerns or complaints were identified.

APPROVAL AND ATTESTATION

This report was approved pursuant to subparagraph 11(4)(a) of the Act by the Board of Directors of Ember Resources Inc.

I have the authority to bind Ember Resources Inc.

(signed) *"Jim Reid"*

Full name: Jim Reid
Title: Chair of the Board
Date: May 26, 2025