



MODERN SLAVERY REPORT (2025)

This modern slavery report (the “**Report**”) is made by MEG Energy Corp. (“**MEG**” or the “**Corporation**”) pursuant to the *Fighting Against Forced Labour and Child Labour in Supply Chains Act* (the “**Act**”). This Report outlines the approach and actions MEG has taken to identify, assess and address modern slavery risks across our operations and supply chains for the financial year ending December 31, 2024 (the “**Reporting Period**”). It sets out our progress to date and future commitments.

Commitment Against Modern Slavery

MEG is committed to high ethical conduct and values, including a prohibition against any form of exploitation including slavery, servitude, forced labour, child labour and human trafficking (collectively, “**Modern Slavery**”) in its business operations and supply chains. MEG promotes a culture of responsible development and respect for human dignity in the conduct of its business. In addition, MEG expects that its affiliates, directors, officers, employees, contractors, suppliers and service providers conduct their business practices in accordance with MEG’s values and requires that suppliers and service providers agree, in their contractual arrangements with MEG, to abide by the principles set out in MEG’s policies, including MEG’s *Business Conduct Charter* and *Human Rights Policy Statement* which prohibit Modern Slavery.

Steps Taken in 2024 to Prevent and Reduce Risks of Forced Labour and Child Labour

MEG took the following steps during the Reporting Period to prevent and reduce the risk of forced labour or child labour in its business and supply chains:

- Continued with meetings of the working group comprised of management representatives from Legal and Supply Chain Management (“**SCM**”) to review the impact of the Act on MEG and assess the effectiveness of the governance structure, policies, and procedures of MEG to address and the risks of Modern Slavery within MEG’s operations and supply chains;
- with the assistance of external experts, developed an internal training program that was rolled out and completed by all SCM and legal staff, which training program was designed to increase knowledge of Modern Slavery indicators and MEG’s obligations under the Act;
- engaged in one-on-one consultations with MEG’s top 3 tier 1 suppliers that were identified as higher risk to assess the effectiveness of MEG’s efforts to identify and mitigate Modern Slavery; and
- developed and disseminated a questionnaire to MEG’s top 5 tier 1 suppliers that were identified as higher risk suppliers to obtain further detail on such suppliers’ Modern Slavery risk mitigation plans.

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

MEG’s Structure, Activities & Supply Chains

MEG is an energy company focused on *in situ* thermal oil production in the southern Athabasca oil region of Alberta, Canada. MEG is actively developing innovative enhanced oil recovery projects that utilize

steam-assisted gravity drainage (“**SAGD**”) extraction methods to improve the responsible economic recovery of oil. MEG transports and sells thermal oil known as Access Western Blend or “AWB” to customers throughout North America and internationally. Located in the southern Athabasca region, MEG’s Christina Lake Project is a multi-phased project, located 150 kilometres south of Fort McMurray in northeast Alberta. Comprised of approximately 200 square kilometres of leases, this SAGD operation currently has regulatory approvals in place to produce approximately 210,000 bpd.

MEG was incorporated on March 9, 1999, under the *Business Corporations Act (Alberta)*. MEG's head office is located at 25th Floor, 600 – 3rd Avenue S.W., Calgary, Alberta, Canada T2P 0G5. As of December 31, 2024, MEG employed 473 full time permanent employees and 2 part-time permanent employees. MEG also engaged approximately 825 contractors and service providers directly for services and materials in the Reporting Period (such group, the “**Tier 1 Suppliers**”).

MEG Energy (U.S.) Inc. (“**MEG US**”), a wholly-owned subsidiary of the Corporation, was incorporated on June 26, 2012, under the *Delaware General Corporation Law*. MEG US is the corporate vehicle used for the Corporation's hydrocarbon marketing-related activities in the United States. MEG US does not have employees or supply chains separate from MEG. MEG US is the Corporation’s only subsidiary.

Further information about MEG’s operations is available at www.megenergy.com.

Our supply chain includes the purchase of natural gas, chemicals, and diluent used in our production processes, and the purchase of equipment and other capital-intensive assets, including pipe, valves pumps, generators, turbines and other equipment common to *in situ* SAGD producers.

To the best of our knowledge, MEG does not source goods and/or services from the following ten countries, which are identified as having highest prevalence of modern slavery according to the 2024 [Global Slavery Index | Walk Free](#):

- a. North Korea
- b. Eritrea
- c. Mauritania
- d. Saudi Arabia
- e. Turkey
- f. Tajikistan
- g. United Arab Emirates
- h. Russia
- i. Afghanistan
- j. Kuwait

Further, the vast majority of MEG’s Tier 1 Suppliers during the Reporting Period were located in North America, with 13 of 825 Tier 1 Suppliers located outside of North America. These 13 international suppliers within MEG’s Tier 1 Suppliers are located in Europe and Asia. During the Reporting Period, 99.7% of MEG’s total expenditures paid to Tier 1 Suppliers were paid to Tier 1 Suppliers located in North America; only 0.3% of MEG’s total expenditures in the Reporting Period paid to Tier 1 Suppliers were paid to Tier 1 Suppliers located outside of North America.

Potential Modern Slavery Risks in Our Operations and Supply Chains

i. Operations

MEG's operations require a wide variety of goods and services to operate, the vast majority of which are produced with higher-skilled and trained labour forces, including engineering, finance, and geoscientific services as well as specialized equipment and services for *in situ* SAGD oil production and transportation.

In our operations, we do not use forced or compulsory workers and such practices are illegal in the jurisdiction in which we operate. All of our employees are above the legal employment age in Canada and are recruited and provided with working conditions, wages and benefits that comply with Canadian laws and regulations, including those laws and regulations related to employment, labour and occupational health and safety. Canada is considered a low-risk jurisdiction for Modern Slavery risks according to the Global Slavery Index. Our operations are complex and sophisticated and as a result, the majority of our employees and contractors are highly skilled professionals and technical labour. We consider the risk of Modern Slavery in our workforce to be low.

ii. Supply Chains

To support our operations, our technical business units and supply chain management functions steward the acquisition of goods and services from third parties, including engineering, procurement, and construction services, general maintenance and support services, chemicals, drilling services and equipment, transportation and logistics services, operations support services, electrical and electronic equipment, and staffing agencies.

In our supply chains, a risk of Modern Slavery may exist where contractors and subcontractors conduct operations in countries with weak governance and regulatory oversight, a poor human rights track record and/or require the employment of low-skilled, physical labour. We identify and assess the risk of Modern Slavery through our supply chain management processes by conducting a risk-based review, which identifies suppliers in higher risk geographic jurisdictions.

Based on our review, and to the best of MEG's knowledge, we have not identified suppliers and goods in our supply chain that present a high-risk potential of engaging in practices associated with Modern Slavery.

MEG acknowledges that it lacks visibility in respect to some of its suppliers located internationally, including indirect suppliers (i.e. the suppliers of MEG's direct suppliers). MEG will continue to work to further identify, understand and ultimately mitigate the risks of modern slavery in its supply chains.

Policies in Relation to Modern Slavery

MEG's *Business Conduct Charter* and MEG's *Human Rights Policy Statement* prohibit Modern Slavery and set out MEG's commitment to ensuring human rights are respected in the conduct of all its activities, including:

- prohibiting all types of discrimination and harassment of minorities, including on the basis of gender identity or expression, race, or other minority status;
- prohibiting Modern Slavery in MEG's business operations and supply chains;
- respecting the fundamental freedoms of all individuals, including the freedom of thought, belief, opinion and expression, the freedom of peaceful assembly, the freedom of association and collective bargaining, and other rights and freedoms enshrined in the UN Universal Declaration of Human Rights and the Canadian Charter of Rights and Freedoms;
- ensuring safe, secure and healthy working conditions for all employees, contractors, and direct suppliers in accordance with applicable laws and best industry practices; and
- ensuring security policies and guidelines are consistent with applicable laws and best industry practices.

Due Diligence and Measures Taken to Assess and Manage Risks of Modern Slavery

MEG uses several strategies and due diligence processes to assess and mitigate Modern Slavery risks, including:

- providing access to MEG's *Business Conduct Charter* and *Human Rights Policy Statement* to all new and existing employees and contractors. MEG will also post a copy of this Report on its website, available for review by all of our employees and contractors;
- as a matter of due diligence, monitoring compliance by annually requiring employees and contractors to: (i) acknowledge their own compliance with all policies; and (ii) affirm they are not aware of non-compliance by others;
- providing ready access for employees, contractors, suppliers, and other stakeholders to anonymous and secure communication and reporting channels that allow them to safely notify MEG of actual or potential breaches of MEG's *Business Conduct Charter* and *Human Rights Policy*, including via MEG's confidential and anonymous Business Conduct Helpline;
- reviewing and assessing MEG's policies, practices and procedures regarding Modern Slavery and human rights generally to ensure their ongoing relevance and alignment with MEG's overall business strategies;
- requiring suppliers to adhere to Canadian safety standards, including compliance with the Canada Labour Code and Workplace Hazardous Materials Information System when working in our operations, emphasizing employee safety and environmental protection;
- assessing select supplier safety and quality assurance, quality control processes, and product testing for continuous improvement; and
- on a risk-based approach, evaluating suppliers' capacity, production capabilities, and logistical processes to meet our demand, incorporating contingency planning to ensure flexibility and robust operations.

Remediation

During the Reporting Period, MEG did not have to take any measures to remediate any forced labour or child labour or remediate any loss of income incurred by vulnerable families as we did not identify any Modern Slavery in our operations or in our direct supply chains.

Should MEG identify that a loss of income has occurred to victim(s) as a result of any measures taken to eliminate Modern Slavery risks in its activities and supply chains, it will seek to take appropriate actions to remediate the loss to the victims.

Training

During the Reporting Period, MEG, with the assistance of external experts, developed and delivered a training program to all SCM employees. This interactive training program was designed to raise awareness of Modern Slavery indicators and MEG's obligations under the Act and will be required to be completed on an annual basis by all SCM employees.

In addition, all employees of MEG are required to complete annual training on MEG's *Business Conduct Charter*, which outlines MEG's commitment to ethical business conduct.

Assessment of Effectiveness

MEG is committed to assessing the effectiveness of its practices and policies and will seek to continually strengthen and improve upon its Modern Slavery response.

MEG will review the effectiveness of steps taken to identify, assess and mitigate Modern Slavery risks by:

- investigating any complaints and grievances received through our reporting mechanisms described herein;
- evaluating our supply chain processes on an ongoing basis;
- continue to conduct one-on-one consultations with our suppliers that we have identified as being at higher risk of Modern Slavery practices;
- reviewing MEG's policies related to Modern-Slavery against our peers' policies and against international benchmarking frameworks for best practice; and
- reviewing our approach to Modern Slavery risks against international benchmarking frameworks and considering new processes to implement in future reporting periods.

Board Oversight

The Board of Directors is responsible for overseeing the execution and implementation of MEG's modern slavery-related programs and policies. The Board will receive a regular annual report from MEG's SCM and legal team identifying areas of potential risk and actions taken to remediate such risks.

Feedback

MEG welcomes all feedback as part of its commitment to foster communication with its stakeholders. Please direct any comments or question you may have on this Report to MEG's Manager, SCM.

Approval & Attestation

This Report was approved pursuant to paragraph 11(4)(a) of the *Act* by MEG's Board of Directors effective May 6, 2025.

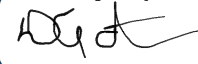
In accordance with the requirements of the Act, and in particular section 11 thereof, I attest that I have reviewed the information contained in the report for the entity or entities listed above. Based on my knowledge, and having exercised reasonable diligence, I attest that the information in the report is true, accurate and complete in all material respects for the purposes of the Act, for the reporting year listed above. I have the authority to bind MEG Energy Corp.

Full name: Darlene M. Gates

Title: President & CEO

Date: May 24, 2025

Signature:

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