



CANADIAN NATURAL RESOURCES LIMITED

REPORT ON

FIGHTING AGAINST FORCED LABOUR AND CHILD LABOUR IN SUPPLY CHAINS ACT

Annual Report

This Statement ("Statement") is made jointly by Canadian Natural Resources Limited and its wholly-owned subsidiaries listed in Appendix A (collectively the "Reporting Entities") pursuant to Canada's *Fighting Against Forced Labour and Child Labour in Supply Chains Act* (the "Act") and constitutes our forced labour and child labour reporting statement for the financial year ended December 31, 2023 (the "Report"). Where this Statement refers to "Canadian Natural", the "Company", "we", "our", or "us," it is a reference to all Reporting Entities.

Canadian Natural Resources Limited is listed on the Toronto Stock Exchange and the New York Stock Exchange and is headquartered in Calgary, Alberta, Canada.

Steps to Prevent and Reduce Risk of Forced Labour and Child Labour

During 2023, the Company conducted an internal review that mapped out our business activities and supply chain to help assess and identify where risks of forced labour or child labour may exist. This risk assessment focused on our direct procurement activities that support our operations and included a review of our suppliers, commodities, and originating locations. The information collected through our assessment was used to develop, implement, and adopt a plan for addressing any potential risks of forced labour or child labour in our supply chain as detailed in this Report.

Structure, Activities and Supply Chain

Canadian Natural is a Canadian-based senior independent energy company engaged in the acquisition, exploration, development, production, marketing and sale of crude oil, natural gas and natural gas liquids ("NGLs"). The Company's principal core regions of operations are in western Canada.

As of December 31, 2023, the Company had approximately 10,000 full time equivalent permanent employees in North America, including corporate head office and field-based staff.

Additional information relating to the Company, including our Annual Report for the year ended December 31, 2023, our Management's Discussion and Analysis for the year ended December 31, 2023 and our audited financial statements for the year ended December 31, 2023, can be found on the Company's website at www.cnrl.com.

Non-Operated Interests

Canadian Natural holds interests in joint-venture assets that are not operated by the Company. Statements regarding our operations, assets and values apply only to our operated assets. Data for non-operated assets is not presented in this Report, however, this Report includes a description of how we generally approach risks, including with respect to human rights, in relation to our interests in non-operated assets and other investments.

Supply Chain

For the purposes of this Statement, our “supply chain” refers to all direct procurement activities for goods and services required or consumed by the Company in its operations. Our supply chain includes manufacturers and distributors of oil and natural gas goods and supplies; third party contractors providing equipment, services and personnel as part of the exploration and production process; third party contractors providing transportation to and from Canadian Natural’s production facilities; and corporate procurement.

Policies

We have policies that set out our expectations of our people, suppliers and other stakeholders we work with in relation to human rights, including forced labour and child labour. These include:

1. Code of Integrity, Business Ethics and Conduct (the “Code”)

The Code has been adopted and approved by the Company’s Board of Directors to ensure that the Company adheres to ethical standards and obeys all applicable laws. The Code applies to the Company and to all of its subsidiaries, domestic and international, over which the Company has control. The Code identifies, among other things, our commitment to the protection of human rights that apply within our areas of operation. We also maintain the integrity of our business processes through transparency and the implementation of appropriate internal controls.

The Company’s corporate Management Committee is responsible for the implementation and administration of the Code. Each manager within our organization is responsible for seeing that all staff under his or her supervision are thoroughly familiar with the Code and are applying it consistently in all of their business dealings. No staff has the authority to violate any of the Code’s provisions or to direct or authorize others to do so.

2. Canadian Natural’s Human Rights Statement (the “Human Rights Statement”)

The Company believes in, supports and is committed to human rights and social justice. Our Human Rights Statement is reflected in the core values of our mission statement — *To develop people to work together to create value for the Company’s shareholders by doing it right with fun and integrity* — and in the Code.

We recognize, respect and abide by all labour, child labour and employment laws and expect our contract service companies, contractors and other third-party companies to meet the same standards. These include prohibitions on child labor, forced labor and discriminatory behavior, as well as recognition of the rights of freedom of association and collective bargaining.

3. Contractor and Consultant Code of Integrity, Business Ethics and Conduct

The Company obligates our contractors and consultants to be familiar with and abide by Canadian Natural’s Code and Human Rights Statement by including such obligations in our contracts. Canadian Natural endeavors to conduct business with contractors and contract service companies who share our values and business principles.

Our corporate templates used for the procurement of goods and services on behalf of the Company contain:

- (i) an express obligation for contractors, vendors and service providers and their own subcontractors and sub vendors to abide by all applicable laws (including the Act), the Code and our Human Rights Statement;
- (ii) a representation and warranty from contractors, vendors and service providers in relation to such obligations; and
- (iii) default provisions if these obligations are breached.

4. Company Human Resources Policies

The Company has numerous internal policies and practices in place, including but not limited to our Recruitment Policy, to ensure compliance with all applicable employment laws and to safeguard against the use of forced labour or child labour within our sphere of operations.

Due Diligence Processes

The following is a summary of the controls and due diligence processes undertaken by Canadian Natural in 2023 to assess the risk of the use of child or forced labour within our supply chain:

- Reviewed our standard forms of supply chain contracts used for the procurement of goods and services to verify that they include requirements, as set out in paragraph 3 of the Policies section above;
- Conducted assessments of the supply management process to identify areas that have preventative steps in place and areas of potential improvement;
- Established appropriate questionnaires and declarations to include as part of our pre-qualification system when onboarding direct suppliers of final goods or services with whom the Company contracts directly (hereafter, “Tier 1” suppliers);
- Worked with other industry peers to discuss and collaborate on how to best address and support compliance with the Act;
- Establishment and management of a multi-disciplinary working group to:
 - (i) investigate, identify, and improve areas throughout the Company’s procurement processes;
 - (ii) develop additional preventative steps;
 - (iii) provide training to Company personnel to reduce the risk of forced labour and child labour in procurement activities; and
 - (iv) draft and prepare this Report.

In addition, our direct Tier 1 suppliers and contractors who either deliver goods to our sites, or perform on site services, must pass a pre-qualification process to ensure such suppliers and contractors are compliant with Canadian Natural’s safety procedures and operational requirements.

Identifying Risks of Forced Labour or Child Labour

In 2023, the Company conducted an initial internal assessment of risks of forced labour or child labour in our activities and supply chain.

As part of our internal assessment, we evaluated data by geographically mapping Canadian Natural's global supply chain expenditures. Our analysis showed that in 2023, approximately 97.8% of our Tier 1 supplier spend was based in Canada, with a further 2.0% in the US and 0.2% overseas. Additionally, less than 0.01% of our spend was from contractors and vendors situated in four countries identified as "at-risk" on the U.S. Department of Labor's Bureau of International Labor Affairs List, and no Company procured goods matched the classifications or item descriptions on the U.S. Department of Labor's 2022 List of Goods Produced by Child Labor or Forced Labor.

We recognize that goods and services supplied by our Tier 1 suppliers may not be manufactured or sourced, in whole or in part, in those direct suppliers' countries but instead in jurisdictions that are at higher risk for forced labour or child labour. In the future, we plan to continue to identify risks, to address gaps in our assessments by analyzing Tier 1 supplier data and to determine how to collect and understand Tier 2 supplier (suppliers of our suppliers) data when assessing the risk of forced labour and child labour in our Tier 1 supplier's own supply chains.

Remediation Measures

Canadian Natural has not identified any instances of forced labour or child labour in our operations or supply chain in 2023. As a result, we have not had to take any remediation measures.

The majority of Company's procurement is managed by a central procurement function by the supply management group based in our head office in Calgary, Alberta, Canada. The supply management group manages the negotiation and implementation of the vast majority of the Company's contracts and takes steps to incorporate our contract requirements, as set out in paragraph 3 of the Policies section above.

For employees seeking advice on ethical/unlawful behavior, human rights matters, or for those who have questions in relation to the Code or are aware of any irregularities, Canadian Natural encourages open dialogue through a variety of pathways, including our Human Resources group, supervisors, and members of the management team, and reporting via Canadian Natural's third-party managed integrity hotline, ConfidenceLine.

ConfidenceLine is a confidential and anonymous workplace and business ethics hotline available to the public and the Company's employees, contractors, suppliers and service providers 24 hours a day, 365 days a year. Reports or concerns of violations of our Code can be submitted either by web based reporting, or telephone through ConfidenceLine.

Training

Canadian Natural is committed to maintaining the highest level of business ethics and principles to ensure that its integrity, through the actions of its employees, is beyond reproach in the day-to-day conduct of its business and that it is in compliance with all applicable laws.

In 2023, Canadian Natural rolled-out a mandatory computer-based training program on the Code for all Directors, Officers, employees (permanent and part-time), contingent workers and consultants. This training is required to be completed annually, and all employees and contingent workers must verify that

they are in compliance with the Code at the end of the training. Every staff member is expected to remain current with the Code and any amendments that may be made from time to time.

During 2023, we also developed and implemented specific internal training and awareness materials on the Act. It was mandatory for staff in key roles involved in corporate procurement and supply chain activities within the Company to complete this specialized training. This training now forms part of the onboarding education for new personnel involved in corporate procurement and supply chain activities within the Company.

Assessing our Effectiveness

Preventing and addressing forced labour and child labour in our operations and supply chains is an ongoing process that requires continued analysis, monitoring and evaluation. Canadian Natural endeavors to conduct business with suppliers, contractors and contract service companies who share our values and business principles.

Based on our review of existing policies and practices in relation to human rights, including forced labour and forced child labour, Canadian Natural believes that the risk of forced labour and child labour in our Tier 1 procurement activities and operations is low.

Going forward, our Company's multi-disciplinary working group will continue to investigate, identify, and recommend areas of improvement in the Company's business processes to assess and further reduce the risk of the use of forced labour and child labour in the Company's procurement and contracting activities.

Approval and Attestation

The contents and delivery of this Report were approved pursuant to subparagraph 11(4)(b)(ii) of the Act by the Board of Directors of Canadian Natural Resources Limited, being the governing body of the entity that controls each of the Reporting Entities, on May 2, 2024.

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 Reporting Entities. 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 ended December 31, 2023.

I have the ability to bind Canadian Natural Resources Limited and the Reporting Entities.



Full name: Scott G. Stauth

Title: President and a Member of the Board of Directors of Canadian Natural Resources Limited

Date: May 2, 2024

Appendix A

Wholly-owned subsidiaries of Canadian Natural Resources Limited (the “Reporting Entities”):

- Canadian Natural Upgrading Limited
- CNR Montney Partnership
- CNR Hatton Partnership
- Sukunka Natural Resources Inc.
- CNR Petro Resources Limited
- CNR (Echo) Resources Inc. – wound up its operations into Canadian Natural Resources Limited on October 31, 2023 and filed its intent to dissolve
- Canadian Natural Resources Partnership – ceased to exist and its assets and liabilities were assumed by Canadian Natural Resources Limited, as sole remaining partner, on October 31, 2023
- Canadian Natural Resources Northern Alberta Partnership – ceased to exist and its assets and liabilities were assumed by Canadian Natural Resources Limited, as sole remaining partner, on November 30, 2023