2024 ESG report

Environment, social and governance

kiwetinohk energy

About the cover:

Title - Goose Lake
Artist - Jules Thomas

Hailing from Sturgeon Lake Cree Nation, Jules Thomas is a successful entrepreneur drawing on his experience as a graphic artist and Cree language student to create his own series of Cree language books and materials. A former Sturgeon Lake Cree Nation councilor, Jules drives Indigenous cultural values and awareness into all his endeavors – from restaurants to publishing. A sought-after motivational speaker and facilitator, Jules helps First Nations and businesses realize their goals and ambitions, drawing on his deep personal experience in business and from the life-altering decision to leave Edmonton gang life.

Today, Jules resides in Edmonton where he manages his businesses and raises his three boys.

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Advisories

We have taken care to ensure the information in this report is accurate. However, the data presented in this report includes aspirational goals, approximations and estimates, which will differ from actual results, and is for informational purposes only. We disclaim any liability whatsoever for errors or omissions. Some of the information in this report may have been disclosed previously in other Kiwetinohk public disclosure, and such disclosure is not intended in any way to be qualified, amended, modified or supplemented by information herein.

The word "material" may be used within this report to describe issues for voluntary sustainability reporting that are considered to have the potential to significantly affect sustainability performance in our view and may be important in the eyes of internal or external stakeholders. However, material for the purposes of this report should not be read as equating to any use of the word in other public reporting or filings by Kiwetinohk. This report does not provide investment advice or information, and readers are responsible for making their own financial and investment decisions.

There is no single standard system that applies across companies for compiling and calculating the quantity of GHG emissions and other sustainability metrics attributable to our operations. Accordingly, such information may not be comparable with similar information reported by other companies. Our GHG emissions are derived from public and regulator reported data generated from a combination of measured volumes and advanced engineering estimates that may be different from those applicable to the financial information presented in our consolidated financial statements and are, in particular, subject to less sophisticated internal documentation as well as preparation and review requirements, including the general internal control environment. In addition, we may change our policies for calculating these GHG emissions and other sustainability metrics in the future without prior notice.

Certain statements contained in this report constitute "forward-looking statements" or "forward-looking information" within the meaning of applicable securities laws (collectively, "forward-looking statements"). These statements relate to management's or, as noted, an independent evaluator's expectations about future events, results of operations and the Company's future performance (operational, environmental and financial) and business prospects. All statements other than statements of historical fact are forward- looking statements. The use of any of the words "anticipate", "plan", "contemplate", "continue", "estimate", "expect", "intend", "aspire", "target", "propose", "might", "may", "will", "shall", "project", "should", "could", "would", "believe", "predict", "forecast", "pursue", "potential", "objective" and "capable" and similar expressions are intended to identify forward-looking statements. These statements are based on a number of assumptions and involve known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking statements. Although we believe that the expectations reflected in the forward-looking statements are reasonable, no assurance can be given that these expectations will prove to be correct and such forward-looking statements included in this report should not be unduly relied upon. Unless otherwise indicated, these statements speak only as of the date of this report and the Company does not intend to update such statements unless required by applicable securities laws. In addition, this report may contain forward-looking statements and forward-looking information attributed to third-party industry sources.

In particular (and without limitation), this report contains forward-looking statements pertaining to the following: objectives, strategies and competitive strengths and weaknesses related to our business; our financial, operational and ESG goals, strategies, plans and focus; emission reduction targets; our sustainability program,

Advisories continued...

practices, initiatives, plans, goals and reporting and the impact and timing thereof; our risk management policy, the development and implementation of additional measures and our commitment to stakeholders; the assignment of financial and qualitative values to certain risks and opportunities; the development of business systems and processes to provide prospective data and better inform decision making; our materiality assessment and the identification, prioritization and monitoring of key factors; Kiwetinohk's sustainability scorecard, commitments and goals relating thereto and timing thereof; growth strategy, including its focus on our upstream assets, our power generation projects and the plans for integration of our upstream and power portfolios; the plans for developing a low emission power generation business as a source of power for Alberta's electrical grid, including development of its natural gas-fired and solar power generation projects and expectations with respect to future opportunities for other renewable energy projects; ability to achieve its near to medium term objectives, including but not limited to: building power generation projects that capture renewable energy and an array of natural gas-fired power generation projects, some if not all of which include CCS; adapting, extending and applying existing CCS technologies with peaker plants and NGCC plants; storing CO2 in underground storage reservoirs; and certain other short- to mid-term goals; ability to achieve its mid- to long-term objectives, including but not limited to: combining hydrogen production from natural gas with power generation; providing low/zero carbon energy; building peaker gas-fired plants; becoming a supplier of power to the Alberta power grid; and certain long-term aspirational goals; the importance of traditional fuels such as natural gas during the energy transition; the need to reduce and ultimately eliminate the "green premium" associated with renewable power generation; the benefits of owned excess surface infrastructure capacity; expectations regarding the further development and operation of existing upstream properties, including ability to add production; future commodity prices and other market prices, market demand for our products and costs; nature, timing and development of capital projects, including in respect of final investment decisions and regulatory approvals and the expected financial performance of such projects following completion of the development and the commencement of operations, as applicable; current capital budget, capital investment programs and future capital requirements for both its upstream and power generation and renewable power portfolio, including its ability to raise capital; beliefs and expectations with respect to its ability to get financial partners for projects; business model, energy demands, energy transition, the future of energy, distribution of power prices, and the best strategies for Kiwetinohk to succeed in the Alberta power industry moving forward.

With respect to forward-looking statements contained in this report, assumptions have been made regarding, among other things: future oil, natural gas liquids and natural gas prices; power prices; inflation and interest and foreign exchange rates; ability to realize on expectations regarding low supply cost, reliability and efficiency of its power generation portfolio; development and completion of natural gas-fired, solar and other renewable power generation projects in a timely and cost-efficient manner and ability to continue to identify and progress projects for its power generation portfolio; ability to successfully integrate its upstream business and assets with power generation portfolio; ability to obtain qualified staff and equipment in a timely and cost-efficient manner; access to third party processing; the regulatory framework governing royalties, electricity generation, transmission and distribution, taxes and environmental matters in the jurisdictions in which conducts its business and any other jurisdictions in which may conduct its business in the future; ability to market production of oil, condensate, natural gas liquids, natural gas, electricity, low-emissions electricity, hydrogen, CO2 and tax credits and other financial instruments as they emerge and evolve from time

Advisories continued...

to time related to the production of low-emissions electricity and/or hydrogen successfully to customers; industry demands for low-cost, low-emissions, reliable and dispatchable power generation; ability to buy and sell hydrocarbon gathering and processing services and CCS services to other parties; future production levels; the applicability of technologies for recovery and production of reserves and the production of electricity and/or hydrogen and the implementation of emissions reducing technologies including but not limited to CCS in connection with its power generation business; the recoverability of reserves; the performance of wells; access to solar and other renewable resources in amounts and at the costs consistent with the amounts and costs expected for the development projects in its power generation portfolio; the nature of carbon capture technologies and the benefits of their application, including to proposed projects; the market shift toward CCS with fossil fuel-fired power and a general shift away from coal toward natural gas use in power generation; future cash flows from production; future sources of funding for capital program and plans for future capital investments; future debt levels; geological and engineering estimates in respect of reserves; the geography of the areas in which its conducting exploration and development activities, including for its natural gas-fired and solar power generation projects and peaker power plant, and the access, economic, regulatory and physical limitations to which may be subject from time to time; community and stakeholder commitment to sustainable energy sources, and positioning within the sustainable energy or energy transition space; the intentions of the Board as they evolve from time to time with respect to the executive compensation plans and corporate governance programs described herein; the impact of competition on; ability to deal with climate change and seasonality issues; ability to access fresh water for operations; ability to obtain the support of stakeholders other than regulators which may affect ability to efficiently develop its capital projects including the cost or timing thereof; the ability to access lands by road; the ability to maintain government leases; the ability to obtain or maintain insurance coverage; and ability to obtain financing necessary for the advancement of our business plans and strategies on acceptable terms; and applicable laws, regulations and policies for energy, power and the climate.

Actual results could differ materially from those anticipated in these forward-looking statements as a result of the risk factors set forth below and included elsewhere in this report and other public filings, including: risks associated with developing and operating the power generation and renewable energy business; the ability to achieve its investment and development objectives; the ability to successfully execute its energy transition strategy; risks associated with exploration, development and production of crude oil and natural gas, and drilling for unconventional oil, natural gas liquids and natural gas; the risks and limitations of forecasting reserves data; the risks associated with the construction, development and operation of power projects; oil, gas and power prices and demand; inflation, exchange rates and cost of borrowing; global economic and financial conditions; capital markets; licences and permits; laws, government regulations, polices and plans; health, safety and environmental risks; competition in the crude oil and natural gas industry; carbon taxes and credits and environmental compliance costs; coronavirus, variants or derivations of it, market constraints and access to services and equipment; talent, recruitment and retention of key personnel; technology risks; seasonality; environmental, health and safety requirements; and these and other risks are set out in more detail in Kiwetinohk's annual information form for the year ended December 31, 2023 (the AIF), our most recent management's discussion and analysis and MD&A. The AIF and MD&A can be accessed on Kiwetinohk's profile on www.sedarplus.ca. Readers are cautioned that the foregoing list of risk factors should not be construed as exhaustive.

Advisories continued...

Reserves and Oil and Gas Disclosures

The term “boe” may be misleading, particularly if used in isolation. We have adopted the standard of 6 Mcf:1 barrel when converting natural gas to barrels of oil equivalent (boe) when reporting net product sales in this report. This is aligned with our consolidated financial statements. A boe conversion ratio of six thousand cubic feet per barrel of natural gas to barrels of oil equivalence is based on an energy equivalency conversion method primarily applicable at the burner tip and does not represent a value equivalency at the wellhead. All boe conversions in this report are derived from converting gas to oil in the ratio mix of six thousand cubic feet of gas to one barrel of oil. Given that the value ratio based on the current price of crude oil as compared to natural gas is significantly different from an energy equivalency of 6:1, utilizing a conversion ratio of 6:1 may be misleading as an indication of value.

This report includes market, industry and economic data which was obtained from various publicly available sources and other sources believed by Kiwetinohk to be true. Although Kiwetinohk believes it to be reliable, it has not independently verified any of the data from third party sources referred to in this report or analyzed or verified the underlying reports relied upon or referred to by such sources or ascertained the underlying economic and other assumptions relied upon by such sources. Kiwetinohk believes that its market, industry and economic data is accurate and that its estimates and assumptions are reasonable, but there can be no assurance as to the accuracy or completeness thereof.

The accuracy and completeness of the market, industry and economic data used throughout this report are not guaranteed and Kiwetinohk makes no representation as to the accuracy of such information.

About Our Company

A brief story about our name

Kiwetinohk is pronounced Key-Wheat-In-Oh, which means "north" or "northward" in Cree, the most widely spoken Indigenous language in Canada. Kiwetinohk carries the idea, for many, of migration, direction and guidance.

Bestowed by Indigenous friends, our name reflects the high value Canadians place on our natural environment and honours the strong role of stakeholders and Indigenous peoples in our past, present and future.

Treaty 8 Cree language teacher Barb Belcourt chose the name to help remind us of our responsibilities to the planet and to each other.

Our Prime Directive is to engage Indigenous nations & stakeholders in our business.

Vision

We aim to develop projects that produce energy that is cleaner than what is produced today as measured against Alberta natural gas and electricity emissions intensity benchmarks for 2023. Kiwetinohk operates in the belief that, in the longer term, a business must be sustainable to be profitable and profitable to be sustainable. Today, Kiwetinohk produces oil, natural gas and related products. In the future, we plan to use natural gas and solar energy and convert it to electricity and other products, and to advance carbon capture and storage.

Mission

01 We want to provide dispatchable, reliable and affordable energy products that are cleaner than Alberta's power grid is today (2023 Alberta Electricity Grid Displacement Factor). Our solar renewable and high-efficiency natural-gas fired power projects, and CCS opportunities, in Alberta create the path to achieve this.

02 We are developing quality liquids-rich natural gas assets with a pathway to 40,000 boe/d by 2026.

03 We have seven power generation projects in development and we are evaluating two carbon capture and storage hub opportunities.

Prime directive

At Kiwetinohk, we recognize that the fortunes of stakeholders are inseparable. In the long term, for any to benefit, all must be engaged and contribute. We acknowledge these stakeholders and the duty to address the reasonable desires of each:

People, everywhere, who seek to protect the environment want us to reach beyond compliance and find ways to lead the energy industry in reducing the environmental impact of our activities, restoring disturbed land and reducing greenhouse gas emissions intensity,

Governments and regulators want us to comply with all laws and regulations and to advise them of changes that would enable the industry to better serve society,

Communities most impacted by the Company's activities, including Indigenous communities, want to participate in planning, building and operating projects and in restoring the land when the projects are done,

Industry partners want us to honor our arrangements and reasonably accommodate change and adaptation,

Customers want us to reliably deliver our products at the specifications and in the amounts that we forecast,

Suppliers and service providers want an opportunity to compete for our business, to be paid promptly and fairly, and to contribute to the evolution of our business,

Employees want an energizing, inclusive, happy work environment where everyone is treated with dignity and respect, to be compensated fairly and a safe and healthy workplace,

Capital providers want strong returns on their investment, effective communication and management of risks, environmental, social, financial and reputational.

We, at Kiwetinohk, see ourselves in the business of serving our stakeholders and working together with them to transition to sustainable energy. By engaging all of our stakeholders openly and honestly and by encouraging their participation in our business, we expect to best serve each of them.

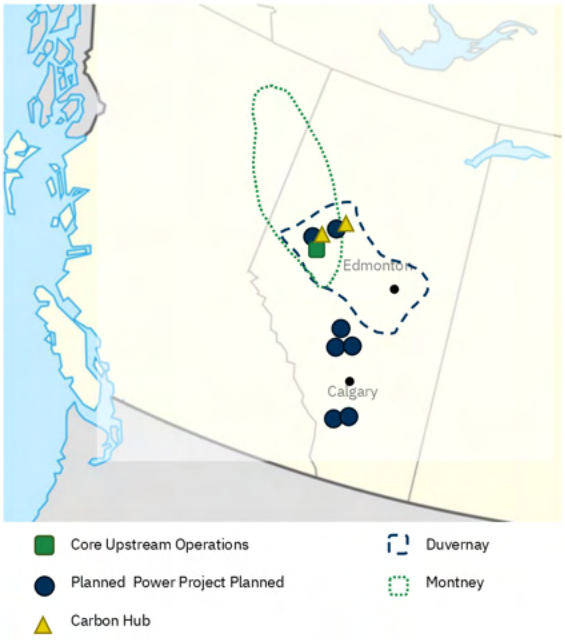
This goal of building a better enterprise by stakeholder engagement and accommodation is our Prime Directive. The pursuit of this objective is the foundation for all of Kiwetinohk's management conduct policies.

1

Overview

2 carbon hubs
awarded by the Government of Alberta

Where we operate



Upstream	
~26.3Mboe/d *upstream oil & gas production from Duvernay and Montney plays targeted in 2024	**Targeted growth to 40 Mboe/d** with Alliance capacity and infrastructure in place

Power	
7 power projects in development with nameplate capacity of >2GW	**3 solar** Homestead solar earliest FID in 2H24 4 natural gas-fired plants in development

* Based on mid-point of current 2024 annual guidance.

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2023 in Review

CEO message

It used to be that empowered managers would become aware of an environmental, health, safety or social matter with potential to adversely affect the company's business and look for solutions that created gains for the company and the people affected.

I have seen millions raised to replace an over-crowded hospital in an oil boom town, done with industry-sponsored charity golf tournaments. I have witnessed the pride of a team that built oilfield freshwater storage ponds to look like natural ponds. It is amazing how far self-interest can be blended with community interest -- and the far and enduring reach of the benefits.

These are examples of ESG leaders spending both sides of the corporate community investment dollar: One side for the shareholder and one side for the community.

ESG, to paraphrase an ESG investor I heard speak several years ago, is a company's performance in matters that are hard to quantify. But that was then. Now, we are expected to structure and measure our kindness. Such measurements try to quantify benefits of community investment so that we can compare our behaviors with our peers' behaviors that were never meant to be quantified in the first place. If your ESG score works out according to a formula, it seems to imply, you don't need to worry about improving community engagement any further.

Isn't it possible that we are putting too much of our effort into benchmarking – where the bench we are marking is in a financial center such as Toronto or New York and the people we should be sitting down with are in the Alberta communities where we live and work together?

I need to understand ESG scores and work hard to ensure our score reflects the impacts, both positive and negative, we have in the communities where we operate. However, I don't believe a number can capture the full picture. Just as financial reports aren't a full picture of business performance, an ESG score can't capture a company's complete community or environmental performance.

For me the true measure of company ESG performance is much closer to home. You know your good faith efforts are working when, for example, a woman you have never met before will stop you in the grocery store to say thank you for the opportunity extended to her daughter or her son.

Or when you see something terrible happen to your neighbor, and your company has the capacity and means to help... and does.

People today debate ESG and some people even move directly against it.

For me, ESG performance scores and metrics remain important, but the scores and benchmarks on their own have never been the point. For me, it's always been earning the respect of the woman in the grocery store and her family, or First Nation whose homes were destroyed by wildfire.

In this report, we've tried to give the reader a full view of our environment, social and governance activities as it can be described and communicated in words, pictures and numbers.

The development of cleaner and affordable energy and our work with Indigenous people and stakeholders here in Alberta continues to unfold dynamically. I would like to thank the reader and our stakeholders for joining us on this journey.

CSO statement

Janet Annesley, Chief Sustainability Officer

Advancing Canada's energy transition means creating clean energy investment opportunities via a system of aligned policy incentives that have one goal: To get private investment capital moving to create emissions reductions.

A recent RBC Climate Action Institute report found climate action needs to "rise exponentially" for Canada to be on track for net zero emissions by 2050.

RBC notes that while money coming from public and private sources has grown by almost 50 per cent since 2021 to $22 billion, funding needs to reach $60 billion a year for the rest of the decade to hit emission reduction targets – that's an almost 300% increase!

The urgency to reduce emissions, our need to build clean energy generation and infrastructure, and the opportunity for Canadian industry is, by all measures, huge.

Unfortunately, from clean energy investors' perspective, so are the risks.

In 2023 Kiwetinohk advanced our portfolio of solar renewable and natural gas-fired power and CCS projects, and in reducing vented methane in, and overall emissions intensity of, the products from our Upstream operations.

But spurring the significant investment in decarbonization required to achieve Canada's climate goals is going to take more – it's going to take governments, industry, capital stakeholders, Indigenous nations and environmental stakeholders working together to change from a frame where carbon emissions are costing Canada's economy, to one where companies reducing emissions can use that activity to create tangible value.

As we describe in the policy positions section, these challenges are solvable, and we don't need more policy to do this. We just need the predictable, firm market signals to get started.

Like the great philosopher Plato said, "The beginning is the most important part of the work."

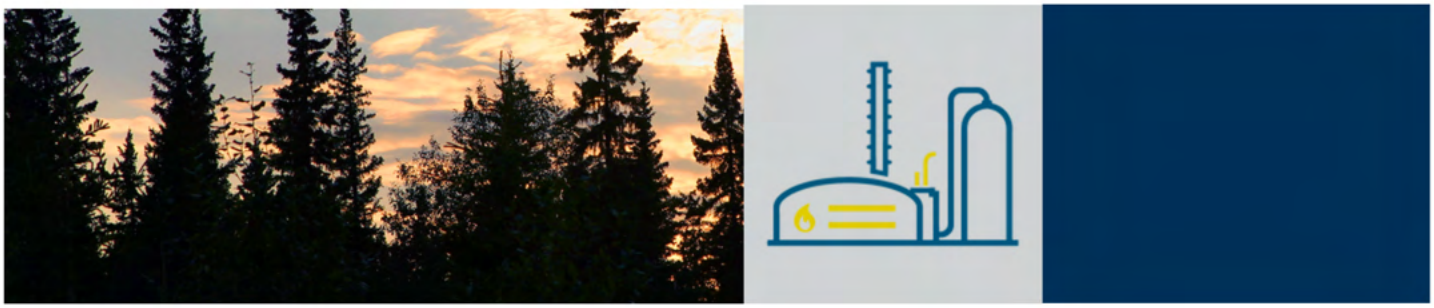
This report describes the progress Kiwetinohk collectively made in 2023, and perhaps more importantly, our determination to continue pushing forward.

About this report

This environment, social and governance (ESG) report provides an overview of Kiwetinohk's 2023 ESG performance, highlighting key metrics (aligned to SASB), initiatives and accomplishments that we achieved from January 1 to December 31, 2023, unless otherwise stated.

Scope

The scope of this ESG report includes all businesses, assets and partnerships owned and operated by Kiwetinohk as of December 31, 2023. Unless otherwise noted, all dollar amounts are expressed in Canadian dollars. All amounts are provided on a before tax basis unless otherwise stated.



Standards & Frameworks

Where applicable, all indicators used in the report are aligned to internationally recognized standards and frameworks relevant to the energy industry. This report is aligned to the Task Force on Climate-related Financial Disclosures (TCFD) and the Sustainability Accounting Standards Board (SASB).

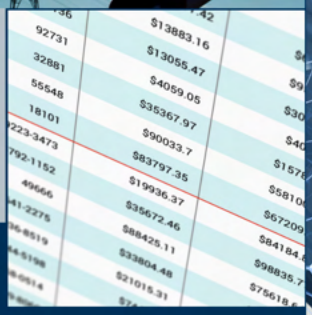
In addition to this document, further information about our business strategy, sustainability performance, policies and initiatives is available on our SEDAR+ profile or via our additional reporting and disclosure available on our website.

Independent Practitioner's Assurance Report

Deloitte performed a limited assurance engagement in accordance with Canadian Standards on Assurance Engagements with respect to Kiwetinohk's Scope 1 and Scope 2 (location based) GHG emissions for the 12-month period ended December 31, 2023.

Deloitte's Limited Assurance report can be found on page 70 of this report.

Task Force on Climate-related Financial Disclosure



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TCFD progress

TOPIC	DISCLOSURE FOCUS AREA	DISCLOSURE	2021	2022	2023	2024
Governance	Disclose the organization's governance around climate-related risks and opportunities	Describe the Board's oversight of climate-related risks and opportunities				
		Describe management's role in assessing and managing climate-related risks and opportunities				
Strategy	Disclose the actual and potential impacts of climate-related opportunities and risks on the business, strategy, and financial planning where such information is available	Describe the climate-related risks and opportunities identified over the short-, medium-, and long-term				
		Describe the impact of climate-related risks and opportunities on the business, strategy and financial planning				
		Describe the resilience of the strategy, taking into account different climate-related scenarios, including a 2-degree Celsius or lower scenario				
Risk management	Disclose how the organization identifies, assesses and manages climate-related risks	Describe the processes for identifying and assessing climate-related risks				
		Describe processes for managing climate-related risks				
		Describe how processes for managing climate related risks are integrated into overall risk management				
Metrics and targets	Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities	Disclose the metrics and targets used to assess climate-related risks and opportunities in line with its strategy and risk management processes.				
		Disclose Scope 1, Scope 2 and, if appropriate Scope 3 emissions and related risks.				
		Describe the targets used to manage climate-related risks and opportunities.				

Formal process in place that will be monitored and updated as required

No formal process in established

Initiated guidelines and putting process in place

"With seven power projects in development, Kiwetinohk is one of the only Canadian companies developing both world-class solar renewables and advancing natural gas with CCS."

Fareen Sunderji
President - Power Division

Governance overview

- Majority independent board
- Majority independent audit committee
- Code of Conduct
- Anonymous Whistleblower Policy
- Diversity Policy
- Sustainability Committee overseeing sustainability, health, safety and ESG
- 22% female representation
- 22% BIPOC representation
- Separated Chair, Lead Director and CEO
- No dual class shares issued
- Strong energy and utilities sector industry experience
- Insider shareholder ownership

Good governance is not just about overseeing the company, but doing so in a way that's transparent, independent of management and adheres to high ethical standards.

Kiwetinohk's Board understands our business and its risks, and challenges management.

Our Board works hard to understand the risks and opportunities of the energy industry and economy, setting robust standards and principles that will guide our success, enhance value for our shareholders and help all our stakeholders thrive.

Strong, majority independent board direction and oversight are critical aspects of effective corporate governance.

Board of directors

Independence statement

The majority of Kiwetinohk board members are independent.

The Board chair, lead director and CEO positions are separated. Kiwetinohk meets all the requirements for independent members on its audit, reserves, sustainability and governance and nominating committees as set out in applicable securities laws.

Left to right standing:
John Whelen
Director - Audit, Compensation, February 2022

Colin Bergman
Director - Reserves, Governance and Nominating, May 2022

Kaush Rakhit - Chair, Reserves Committee, Compensation, August 2018

Judith Athaide - Chair, Governance and Nominating, Sustainability, February 2022

Beth Reimer-Heck - Lead Director, Chair Sustainability Committee, Audit, Governance and Nominating September 2021

Steve Sinclair - Chair, Audit Committee Compensation September 2021

Leland Corbett - Chair, Compensation Committee Governance and Nominating, Sustainability August 2018

Left sitting:
Kevin Brown
Board Chair - Audit, Governance and Nominating, December 2018

Right sitting:
Pat Carlson - CEO
Reserves, Sustainability February 2018

ESG role of the board

KIWETINOHK'S CODE OF CONDUCT COVERS

CONFIDENTIALITY OF INFORMATION

DISCRIMINATION

CONFLICTS OF INTEREST

INSIDER TRADING

SAFETY AND ENVIRONMENT

WHISTLEBLOWING

Kiwetinohk's purpose is to build a company that profitably provides customers with dispatchable, reliable and affordable energy that is cleaner than Alberta's electricity grid today (2023 Alberta Electricity Grid Displacement Factor). In the near-term this will see us reduce greenhouse gas emissions intensity from upstream oil and gas production and develop a range of renewable and high-efficiency natural gas-fired power projects that we are supporting with early-stage carbon capture and storage hub opportunities. In parallel with these business plans, we also aim to be a leader in developing systems to track and manage greenhouse gas reductions.

Kiwetinohk's Board of Directors holds responsibility for the oversight of management's identification and evaluation of the Company's principal risks, including (without limitation) environment, climate-related and social risks, and the implementation of policies, processes and systems to manage or mitigate the risks to achieve an appropriate balance between the risk incurred and potential benefits to our stakeholders.

Board oversight

As part of its delegated authority, the Sustainability Committee of the Board oversees Kiwetinohk's health, safety, environment, and Indigenous and stakeholder engagement programs, including sustainability, emissions tracking, emissions reduction strategies, emissions reporting, water and land use, and asset retirement.

The Sustainability Committee also oversees Kiwetinohk's approach to climate change, ESG reporting and reviews ESG reports and other ESG disclosures. The Sustainability Committee and Audit Committee oversee any applicable third-party verification processes related to ESG, including GHG emissions data.

The Governance and Nominating Committee oversees Kiwetinohk's corporate governance system, including board composition, ethical business practices, shareholder and stakeholder communication, policy creation, and policy compliance. It ensures directors engage in continuous learning, including about climate change and management of climate-related risks and opportunities.

The Governance and Nominating Committee monitors compliance with the Whistleblower Policy.

Founding Kiwetinohk CEO Pat Carlson drives Kiwetinohk's business strategy and plan. Addressing climate change risks and opportunities is embedded in our CEO's position description as a foundational value and pillar of our business.

You can read more about the composition and qualifications of our Board and its committees, our governance structure and our corporate governance documents on our web site, www.kiwetinohk.com.

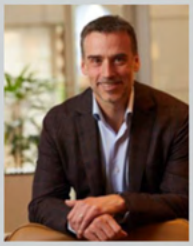
2023 Board field visit

Management team

Kiwetinohk's CEO Pat Carlson together with CSO Janet Annesley lead Kiwetinohk's 10-person, enterprise-wide ESG Steering Group consisting of:

Pat Carlson
Chief Executive Officer

Jakub Brogowski
Chief Financial Officer



Mike Backus
Chief Operating Officer – Upstream

Fareen Sunderji
President, Power Division

Janet Annesley
Chief Sustainability Officer

Sue Kuethe
Executive Vice-President, Land and Community Inclusion

Mike Hantzsch
Senior Vice-President, Midstream and Market Development

Craig Parsons
Vice President, Finance & Economics Power Division

Lisa Wong
Senior Vice President, Business Services

Chris Lina
Senior Vice President, Projects

Mangement oversight

MANAGEMENT OVERSIGHT

EXECUTIVE CLIMATE-RELATED ROLES & OVERSIGHT

Oversight of and responsibility for providing strategic direction and implementation regarding climate-related goals, risks, opportunities and disclosures.

CHIEF EXECUTIVE OFFICER (CEO)

- Establishes vision for business transformation and climate-focused business opportunities.
- Drives integration of climate-related factors into business decisions.
- Reports to the Board and stakeholders on climate-related performance.
- Responsible for corporate disclosures on climate-related risks and opportunities.

CHIEF FINANCIAL OFFICER (CFO)

- Responsible for financial reporting and establishing and maintaining internal controls.
- Develops commercial structures to advance climate-related business opportunities.
- Integrates climate-focused policies, regulations and corporate targets into corporate financing strategy.
- Responsible for corporate forecasts with inclusion of climate-related costs, targets.

CHIEF SUSTAINABILITY OFFICE (CSO)

- Integrates and drives adoption of the climate strategy across the company.
- Produces climate reporting and disclosures.
- Manages regulatory and reputation risk associated with climate.
- Manages emissions reporting systems and conducts scenario analysis.

CHIEF OPERATING OFFICER (COO) - UPSTREAM

- Implements climate-related initiatives in the upstream, including emissions reductions and programs.
- Identifies emissions reductions opportunities and partners.
- Manages team of frontline responders to climate-related risks such as wildfires, floods, etc.
- Works with CSO to integrate climate-related risks into business strategy and plans.

PRESIDENT, POWER DIVISION

- Advances renewable and natural gas-fired power projects through development phases with the goal of providing affordable, reliable and dispatchable power that is cleaner when compared to Alberta's grid GHG intensity today (2023 Alberta Electricity Grid Displacement Factor).
- Identifies emissions reduction technologies, partnerships and other opportunities.
- Develops commercial structures to advance climate-related opportunities.

SENIOR VICE PRESIDENT, MIDSTREAM & MARKET DEVELOPMENT

- Advances commercial structures for CCS hub and circular economy opportunities.
- Identifies and analyzes clean technology business opportunities and risks.
- Assesses product markets.
- Supports development of clean technology expertise, partnerships and markets.

Responsible supply chain

As Kiwetinohk's business continues to grow and evolve into new lines of business such as solar renewable energy, we regularly evaluate our supply chain and risk management focus on building resiliency against supply chain disruptions.

Our vendor onboarding program is designed to reduce risks, such as modern slavery, and to identify areas of development and opportunity, including Indigenous procurement.

In 2023, we enacted a Supplier Code of Conduct and conducted a preliminary assessment of the risks of forced labour and child labour in our supply chains. We also engaged with select suppliers deemed to be at high risk of used of forced labour and child labour.

Suppliers are expected to comply with the same standards of conduct that apply to Kiwetinohk internally. We conduct additional due diligence with vendors based on a number of risk factors including location of offices, manufacturing sites and origins of the raw materials used to make products that Kiwetinohk buys.

In 2023, Kiwetinohk initiated its solar panel procurement process for its 400MW Homestead Solar Project and identified solar panel procurement as an area at high risk of exposure to direct and indirect forced labour and child labour because polysilicon is the most common material used to produce solar panels. Polysilicon is derived from quartz sandstone that is mined and then crushed, heated, and chemically refined. The refined polysilicon is then turned into ingots and photovoltaic wafers that are used to manufacture solar cells and panels.

The U.S. Department of Labor estimates that up to 45% of the world's supply of solar-grade polysilicon comes from Xinjiang. Kiwetinohk took the following steps to assess and manage our risk of exposure to Xinjiang forced labour.

Kiwetinohk undertook additional due diligence with our solar panel vendor in 2023, and we continue to work with them to ensure any panels procured avoid forced labour and child labour in the supply chain.

We released our initial Kiwetinohk Modern Slavery Report 2023 on March 6, 2024, which describes our actions to eliminate forced labour and child labour from our supply chains.

ESG steering group charter

Kiwetinohk's ESG steering group is created to develop Kiwetinohk's first 3- and 5-year ESG strategies, including annual delivery plans.

The goal of Kiwetinohk's ESG strategy is to advance progress toward our Prime Directive: serving our stakeholders and working together with them to transition to sustainable energy.

Guiding principles

1. **Leadership -** When setting performance ambitions for our business, we seek to continuously improve, with the goal of positioning among industry leaders in our priority performance areas or explaining why we cannot yet do so.
2. **Systematic -** We take a systems approach to ESG risks and opportunities, embedding and integrating environmental, social and governance performance thinking into our corporate structures, systems and work plans. They do not stand on their own.
3. **Learning -** We learn from our peers, subject matter experts and our stakeholders, bringing new information and practices into our company to improve our performance.
4. **Stakeholder focus -** We add information and perspectives from others to our own in assessing which ESG topics are most material to our business, developing our action plans and assessing our performance.
5. **Sustainability means profitability -** We can only be sustainable if we are profitable and, for the long term, we can only be profitable if we are sustainable.

ESG steering group

Roles and responsibilities

Sustainable Finance and ESG Investing

- Identifies target ESG investors and climate / green / ESG lenders, including their ESG criteria for investing or lending
- Identifies and recommends to the CEO and board priority one-year, two-year and three-year ESG standards, certifications, ratings and frameworks based on desired investor, lender and reputation outcomes
- Represents Kiwetinohk at ESG investment conferences as required

Strategy

- Develops considerations to be included with Kiwetinohk's risk management reviews, including ESG risks
- Embeds consideration of Kiwetinohk's material ESG risks into annual business planning, project planning and investment decision making processes
- Establishes and oversees the work of cross functional work teams where needed to assess and develop plans for specific ESG material topics, e.g. water, community relations, etc.
- Develops or tasks development of United Nations, Intergovernmental Panel on Climate Change-aligned or public policy aligned scenarios (e.g. carbon taxes, declining fossil fuel demand, etc.) as required to test the resilience of Kiwetinohk's ESG business strategies, updates models and information as required

ESG steering group members

- CEO
- Chief Sustainability Officer - Chair & Secretary
- Chief Financial Officer
- President, Power Division
- Chief Operating Officer - Upstream
- SVP, Midstream and Market Development
- SVP, Business Systems
- Vice President, Projects
- EVP, Land and Community Inclusion

Operations

- Assesses current and future asset retirement obligations and management plans to ensure financial and environmental sustainability
- Ensures approved ESG strategies and targets have achievable implementation plans that are integrated into departmental business plans and goals
- Assigns and develops accountability matrices for delivery of ESG targets
- Tasks analysis, assessment and planning as required
- Regularly meets with work plan leaders to review and assess progress
- Develops systems and processes to ensure Kiwetinohk uses and reports quality environmental data to stakeholders, including investors and regulators

Communications and advocacy - internal and external

- Provides input to, reviews and approves / recommends to CEO for approval Kiwetinohk's position statements on ESG issues and policies
- Represents and advocates for Kiwetinohk's positions at government, industry and other stakeholder meetings
- Engages staff and contractors on ESG topics
- Identifies and helps organize staff education sessions on ESG issues
- Acts as Kiwetinohk spokesperson on ESG issues as required

Leadership and governance

- Provides recommendations to CEO and board on ESG and governance best practices to be incorporated into board and corporate policies and policy updates
- Identifies and helps organize board information sessions on key ESG topics
- Recommends to CEO and board ESG metrics and targets to be used in departmental, individual and corporate performance assessments
- Reviews the annual ESG report
- Makes ESG-related recommendations to the audit committee, governance and nominating committee and sustainability committee of the board in the fulfillment of their duties

kiwetinohk.com

Embedding climate & other ESG topics

Addressing climate changes embedded in our CEO's position description as a foundational value and pillar of Kiwetinohk's mission.

You can read more about the composition and qualifications of our Board and its committees, our governance structure and our corporate governance documents, here.

In addition to serving as members of the ESG Steering Group, Pat Carlson and Janet Annesley act as the primary conduits for communication between the Board and the leadership team with respect to ESG matters, manage all significant ESG initiatives and lead the Company's risk assessment and management processes in this regard.

Our ESG Steering Group is comprised of a multi-disciplinary team, including leaders from across the organization.

The ESG Steering Group meets quarterly and is responsible for identifying the sources of long-term value creation and risk management for all stakeholders, understanding the link between long-term issues and the business case, developing long-term metrics and ensuring the transparent and accurate reporting of data.

The ESG Steering Group undertakes assessments of Kiwetinohk's material topics, which are the most important issues driving long-term value creation, linking each to management strategies and metrics that will be used to assess progress. Material topics are long-term areas of strategic focus with the general assessment of topics revisited every two years for additions or updates.

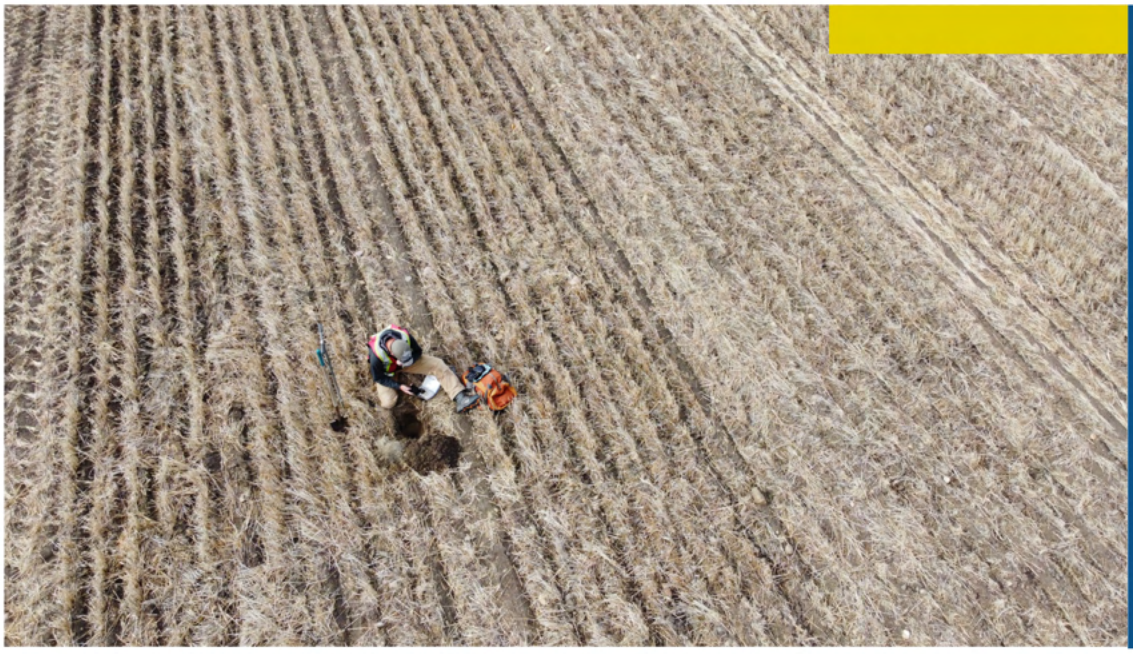
- Climate Change: See TCFD - Strategy, Risks & Opportunities and Metrics starting page 14
- Health and Safety: See page 46
- Community & Indigenous Inclusion: See page 51
- Land, Water and Biodiversity: See page 55
- Diversity, Equity, Inclusion and Belonging: See page 62

Climate strategy

Reliable, affordable & cleaner energy vs. our past performance and Alberta 2023 industry benchmarks

Our 10-year goal is to be a leader in natural gas production and in the transition to cleaner electricity vectors such as solar renewable and natural gas-fired generation with CCS and, potentially, hydrogen.

Through this strategy, we aim to reduce emissions across the energy production lifecycle. To date, we have made progress in reducing the methane intensity (Scope 1 GHG emissions) of our natural gas production, and as we advance our Power Division portfolio, we aim to address Kiwetinohk's Upstream Scope 2 and Scope 3 emissions by helping lower the emissions intensity of Alberta's grid and capturing carbon dioxide from natural gas combustion at Kiwetinohk's Power facilities.



Pre-development soil assessment at our 400MW Homestead Solar Project site.

Identification of climate-related risks & opportunities

In 2023, Kiwetinohk gained significant experience identifying risks and opportunities through investor and government engagement, advancing more than 2 GWs of power through regulatory processes, growing Upstream production and associated capital allocation decisions.

As we move forward, we continue to identify new issues and risks ranging from climate policy and low carbon product and market development to financial challenges resulting from today's relatively high interest rate environment and the slow pace of government investment tax credit program, provincial market reforms and other items critical to reducing risk and advancing a business model.

For this report and to inform our broader business strategy, we examine climate change risks and opportunities according to guidance provided by the Sustainability Accounting Standards Board and the Task Force on Climate-related Financial Disclosures, evaluating each topic and area based on the risk and opportunity profiles for Upstream oil and gas and power, including solar development.

We also continue to evaluate and manage the risks and opportunities related specifically to development of our two CCS hub opportunities, Black Bear and Opal.

Temperature and weather extremes

Extreme hot and cold weather, heavy snowfall, heavy rainfall and wildfires may restrict our ability to access properties, causing operational difficulties, including damage to machinery and facilities. Extreme weather may also increase the risk of personnel injury as a result of dangerous working conditions.

Some of Kiwetinohk's assets are located close to forests and grasslands, and wildfires may lead to significant downtime and/or damage. Extreme weather may also disrupt our ability to transport produced oil, natural gas and natural gas liquids and goods and services along the supply chain. Extreme heat and smoke also presents safety risks to workers.

Wildfires

Kiwetinohk's oil and gas upstream facilities are located in Canada's boreal forest. In early 2023 we experienced first hand the risk wildfires can pose to communities and our operations as we safely shut in operations and evacuated field personnel.

Although Kiwetinohk's assets did not sustain damage in the 2023 wildfire season, wildfires are an unpredictable risk depending on the specific combination of hot weather, rain, lightning, and wind each spring, summer and fall that could damage infrastructure, limit access and, as a result, also lead to reduced operations or a cessation of operations.

We have detailed emergency preparedness and response plans in place to ensure we can respond to wildfire situations effectively while maintaining a very high priority on safety of people. See the Health & Safety section of this report starting on page 45 for more details.

Above: The Fox Creek, Alberta area, where Kiwetinohk has Upstream operations, is densely forested.

Alberta's 2023 wildfire season saw a total of 1,092 wildfires burn a record 2.2-million hectares, according to the Alberta government. Sturgeon Lake Cree Nation (pictured above) was severely impacted.

Precipitation and droughts

Kiwetinohk's oil and gas upstream operations are not located in stressed watersheds where the current availability of water, or severe restrictions on water withdrawals, could compromise our ability to operate.

We manage, optimize and conserve water use in line with seasonal variations in water availability through water storage, or by purchasing water supply services, as required.

Our current operating locations are not at high risk of flooding.

In our Power Division business, variability in wind regimes and solar radiation and their predictability may be affected by extreme weather events such as windstorms, hailstorms, floods, forest fires and severe wind weather, which may affect the amount of energy generated by our future renewable projects.

Wildfires and droughts can destroy natural habitat. Together with surface disturbances from human activity, these events may lead to habitat fragmentation to a degree that species of plants and animals become locally threatened. Adding to the direct concern, some Indigenous nations and stakeholders, if this situation occurs, may become concerned and seek government policies to limit land-disturbing or water-consuming development.

"To advance clean technology we need to improve investor confidence in new or first-of-a-kind technology plays. Our portfolio provides unique exposure to top-tier upstream production and Alberta's growing markets for clean and affordable power."

Jakub Brogowski
Chief Financial Officer






Energy transition risk

Regulatory and policy risk

Climate change regulations, frameworks and guidance that apply to energy companies and energy investors are rapidly evolving. The Government of Canada and the Government of Alberta have already introduced comprehensive rules, including regulated reductions and carbon levies, to reduce GHG emissions.

As such, Kiwetinohk maintains an active stance on policy engagement, closely monitoring and/or engaging on policies and regulations, including:

- Government of Alberta Technology, Innovation and Emissions Reduction (TIER) Implementation Act
- Government of Alberta - Methane Emission Reductions Regulation
- Government of Alberta - Restructured Energy Market
- Government of Canada – Greenhouse Gas Pollution Pricing Act
- Government of Canada – Net-Zero Emissions Accountability Act
- Government of Canada - Net Zero Regional Tables
- Government of Canada – Canadian Environmental Protection Act (Clean Fuel Standard, Clean Fuel Regulations)
- Government of Canada – Canadian Greenhouse Gas Offset Credit System Regulations
- Government of Canada – Clean Electricity Regulations
- Government of Canada - Regulations Amending the Regulations Respecting Reduction in the Release of Methane and Certain Volatile Organic Compounds (Upstream Oil and Gas Sector)
- Government of Canada – Options to Cap and Cut Oil and Gas Sector Greenhouse Gas Emissions to Achieve 2030 Goals and Net Zero by 2050

Clear policy provides predictable market signals, under pinning investor confidence and competitiveness.

Policy position taking

An outline of our public policy and regulatory positions is provided below. We are a member of the Explorers and Producers Association of Canada and the Alberta Chamber of Resources. We comply with all laws and regulations related to interacting with public officials and do not make political contributions.

Government of Alberta - Renewables Moratorium

In August 2023, the Alberta Utilities Commission (AUC) paused all new approvals for renewable power plants while it conducted two inquiries: Module A covered land-use, viewscapes, and reclamation issues, and Module B which is ongoing covers the supply mix for affordability, reliability and decarbonization of the grid. While no Kiwetinohk renewable projects were directly impacted by the pause, we articulated the following positions:

- **Land use -** No support for renewable development on native grassland and irrigated farmland; support for renewables development on agricultural lands with integration of agrivoltaic practices.
- **Reclamation issues** - Support for improved financial security oversight or requirements for reclamation at end-of-project-life in a manner that is consistent and fairly applied across industry, including existing projects.
- **Viewscapes -** We expressed concerns about the AUC's ability to arbitrate which viewscapes require protection and associated predictability for developers.
- **Supply mix and reliability** - Consistent with our portfolio investments, we support renewables and natural gas-fired peakers and baseload generation with CCS.
- **Restructured Energy Market** - We are engaging in the REM process and have relayed serious concerns about uncertainty in the market, investors' ability to assess project economics, and therefore the ability to attract investment and reach financial investment decisions, while final rules are being made and enacted. In the context of Alberta needing more power generation, especially dispatchable power, weakened investor confidence is likely to have the unintended consequence of project delays and cancellations. We aim to work with the government to develop strategies to improve investor confidence and de-risk the supply of affordable, clean and dispatchable power to markets.

Policy position taking

Government of Canada - Clean Electricity Regulations

Kiwetinohk supports the aim of the Clean Electricity Regulations (CER) to provide clean, affordable and reliable power to Canadians. The proposed CER consists of several elements including a GHG emissions performance standard for natural gas-fired facilities, use of emissions offset credits for compliance, minimum size requirements, limitations on facility operating hours and / or emissions limits, emergency provisions and facility age considerations.

In written submissions and meetings, Kiwetinohk focuses on the following points regarding how to achieve clean, reliable and affordable power by 2035:

- **GHG emissions performance standard** - We support a performance standard designed -- and complemented by carbon pricing, investment tax credits and other incentives -- to achieve the next marginal improvement in CCS technology performance. To ensure new, increasingly efficient, affordable and clean electricity generation continues to be built to meet anticipated doubling of electricity demand, the performance standard must be set to a technology level that demonstrates ambition but yet investors will deem to be safe and investable. Where needed, the performance standard should be backstopped with financial guarantees and / or compliance mechanisms to defray risk.
- **Emissions offset credits** - We recommend the government consult widely with CCS technology providers and investors to determine its performance standard requirements and to adopt gradual tightening in its performance standard that mirrors commercial CCS capture rates as they reliably increase to 90 - 95%. We advocate for the continued predictable increase in industrial carbon pricing and for use of emissions offset credits and other compliance tools that will drive CCS technology deployment.
- **Facility operating hours and / or emissions limits** - We support provisions that would allow fast-responding, natural gas-fired dispatchable power facilities, known as peakers, to operate at up to 20% capacity factor – or under an emissions limit (versus limiting the number of operating hours). Peakers support penetration of intermittent renewables and improve grid reliability. Any regulation creating barriers to investment in new and efficient peakers may have the unintended consequences of limiting renewables growth or locking in emissions from older, more polluting, and therefore, expensive facilities.
- **Facility age considerations** - We argue the inclusion of “end of prescribed life” provisions allow older, less efficient, and therefore more expensive power facilities to be grandfathered, which provides these facilities with an additional competitive advantage. To level the playing field and avoid locking in emissions from less efficient facilities, the CER should apply evenly to all natural gas-fired facilities regardless of age. At minimum, government should allow the carbon tax to apply and to work. Competition for capital and market share should be encouraged, not stifled.

Policy position taking

Government of Canada - Regulations Amending the Regulations Respecting Reduction in the Release of Methane and Certain Volatile Organic Compounds (Upstream Oil and Gas Sector)

Kiwetinohk is generally supportive of the Government of Canada's ambitious intent to reduce methane emissions from the upstream oil and natural gas sector by 75%. However, we also support the view of the Explorers and Producers Association of Canada (EPAC) that the provinces should be the only regulators in this area because the provinces own the resources, maintain constitutional jurisdiction to regulate and have competent regulators to oversee the sector, including deep technical knowledge of the industry, and embedded expertise with respect to methane.

Through existing equivalency agreements, the provinces have also demonstrated an ability to deliver emissions reductions on a faster timeline and at a significantly lower cost than existing federal regulations.

Kiwetinohk employs continuous methane monitoring at its sites and we firmly support fulsome and accurate methane emissions tracking and reporting. Our feedback on the Gazette 1 regulations focused significantly on the value of the proposed number of inspections as we continue to prioritize 1) quality of data or quantity of data, and 2) investing dollars in methane abatement versus duplicative inspections. We support the principle that leading edge technologies, such as continuous methane monitoring, should form alternative compliance pathways provided they deliver the same or better data as the government's final inspection protocols.

Government of Canada – Options to Cap and Cut Oil and Gas Sector Greenhouse Gas Emissions to Achieve 2030 Goals and Net Zero by 2050

Kiwetinohk does not believe the government's Proposed Regulatory Framework will be effective in reducing GHG emissions from the oil and gas sector without shutting in otherwise economic production. Our views and recommendations largely fall into five key areas:

1) Creating noise in the carbon price signal; economic inefficiency.

We recommend the government avoid creating added economic hurdles for decarbonization projects: Given the range of policy measures already in place, third-party research by the Public Policy Forum and Navius Research indicates the intentional phase out of oil and gas production is not necessary to achieve net zero targets. Furthermore, this research highlights the unintended economic costs of using such a policy approach would be enormous, resulting in impact to Canada's trade balance, currency effects and consumer purchasing power. Given there are lower cost policy options available to reduce GHG emissions, responsible governments should pursue those lower cost strategies.

Policy position taking

Government of Canada – Options to Cap and Cut Oil and Gas Sector Greenhouse Gas Emissions to Achieve 2030 Goals and Net Zero by 2050

2) Impact to development of Canadian clean technologies, innovation, investment and export capabilities.

Current emissions reduction projects in the oil and gas sector represent the largest emissions reduction technology projects in Canada. Government should protect and enhance deployment of near- and medium-term projects to reduce emissions sooner and support development of the next set of low- and no-carbon energy vectors, such as hydrogen and electricity.

We recommend de-risking private sector technology investment as the best way to lower the cost of capital and therefore new clean technology deployment.

3) Cap and trade / decarbonization fund potentially a good system, but not as designed layered onto existing programs.

Kiwetinohk recommends a revenue neutral approach to any decarbonization fund where companies are incentivized to spend any amounts payable on verified emissions reduction projects, complementing the existing ITCs and other programs. This approach could incentivize oil and gas companies to work together to invest capital efficiently, is bankable and like GST credits and debits, it minimizes administration, avoids rent-seeking, and could be fully auditable.

4) Uneven and unclear application to companies due to size, early action on emissions.

Exempt oil and gas producers who are already top quartile in emissions per unit of production (this concept is already enshrined in the output-based system) and create a production threshold that maintains competitiveness for small oil and gas producers.

5) Global competitiveness and domestic harmony.

Due to inelastic global oil and gas demand, decreased supply from Canada will result in increased supply from other jurisdictions. Canada should carefully consider and weigh the benefits of a different policy approach to GHG emissions reductions, energy security, economic growth and regional harmony. Kiwetinohk is not well placed to comment on the constitutional arguments advanced by those in provincial governments. However, any credible constitutional concerns are an additional barrier to investment.

We recommend the government improve efforts to work with the provinces on energy policy issues, find workable middle ground on carbon pricing and technology incentives that address challenges and barriers to investment and emissions reductions near term.

Market risks & opportunities

Canada's energy transition will be challenging but we have an opportunity to make an impact. As a smaller Upstream and Power company focused in Alberta, Canada, we are uniquely positioned to assess opportunities to reduce emissions across the natural gas development and electrical generation sectors, two of Canada's highest emitters.

Our ability to align the Scope 1, Scope 2 and Scope 3 emissions of our portfolio to net zero by 2030 and 2050 relies on the pace of change taking place in the economy, including how quickly the demand for clean electricity grows as it becomes the primary source of energy to meet our everyday needs. Meeting stated Canadian and international climate targets is dependent on immediate and significant deployment of available clean technology solutions, as seen on the International Energy Agency's Net Zero by 2050 roadmap for the global energy sector.

Innovation needs to be accompanied by large-scale construction of clean technology and clean energy projects. This requires strong policy support and public and private capital to be deployed at pace and at scale. Energy production and infrastructure projects are capital-intensive and require robust analysis, collaboration and consultation. Regulatory timelines are also considerable and regulatory processes are subject to ongoing challenges and changes in line with legal, stakeholder and Indigenous needs.

Ongoing market risk assessment

Areas where Kiwetinohk continues to evaluate market risks, include:

- **Affordability** - Total energy costs to consumers resulting from changes in the energy supply mix, end-use demand-management and efficiency measures.
- **Carbon markets** - we seek increased carbon price bankability from today to 2030 (and beyond) to support our business plan and attract investment to our energy projects.
- **Demand for lower emission products** - we seek to differentiate our energy products based on GHG emissions and to receive preferred market access and/or market premiums for GHG product performance.
- **Capital markets** - we seek significant investment to advance our portfolio of low- and no-emission power projects and we continually assess risks to returns.
- **Green taxonomy investment and lending** - we monitor and assess the value of evolving green taxonomies which are intended to support differentiated corporate and project GHG emissions performance.

Integration of climate-related risks and opportunities into business strategy

Electricity generation represents the largest source of GHG emissions in the world. Power-related GHG emissions are mainly carbon dioxide, methane and nitrous oxide, which are by-products of fossil fuel combustion. As such, the power sector faces one of the largest decarbonization challenges -- and presents a significant opportunity.

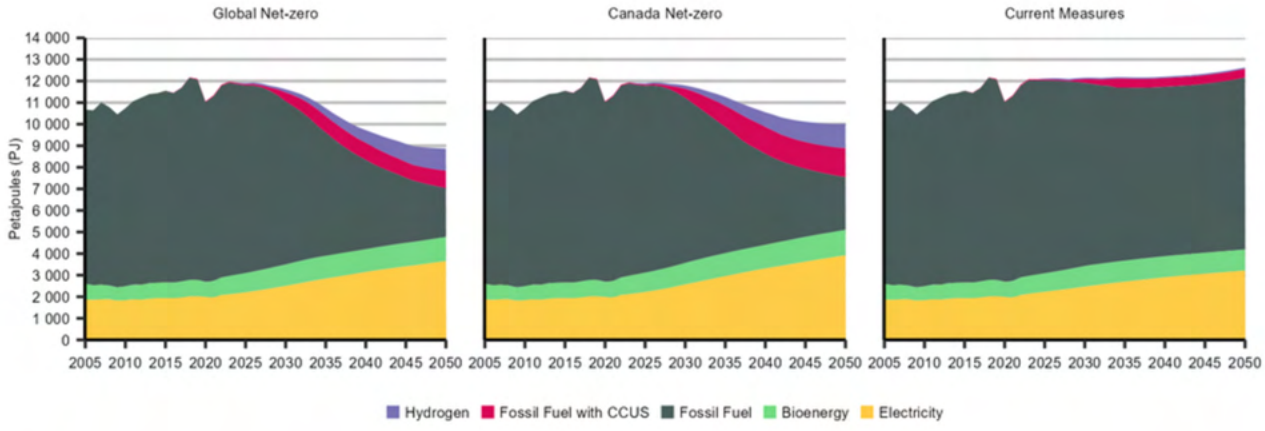
Clean power generation is expected to double in Canada by 2035 or 2050, but to meet demand for cleaner electricity, supply will need to increase two to three times today's volume as older, inefficient and polluting (and therefore costly) generation is replaced with new efficient facilities, often equipped with CCS.

At Kiwetinohk, we find ourselves in the midst of a massive shift change from a world where people consume more natural gas and oil to meet their primary energy needs to where people will consume more electricity to heat their homes, buildings and for transportation.

With a growing Upstream production base, Kiwetinohk's seven-project Power portfolio shows we are developing options to profitably transform our Upstream production into affordable, reliable and dispatchable electricity that is cleaner than the Alberta grid GHG intensity today (calculated using the 2023 Alberta Electricity Grid Displacement Factor).

Developing clean, reliable and affordable power supplies is shaping up to be the number one undertaking of this decade – and perhaps the 21st century.

Canadian Energy Regulator:
End-use energy use, by fuel, all scenarios



Source: Canada's Energy Future 2023: Energy Supply and Demand Projections to 2050 (EF2023). Canada Energy Regulator, June 2023.

Scenarios

Kiwetinohk engaged ERM International Group (ERM) to test the resiliency of our business strategy in three climate change-related market, technology and policy scenarios.

The framework of each scenario is described below:

- **Business Transformation**: Examines Kiwetinohk's ability to achieve emissions reductions by achieving business integration as quickly as possible. The need for speed produces an initial reliance on portfolio decisions to shape the company's asset mix and operations.
- **Best in Class**: Looks at leveraging operational efficiency opportunities to move the general asset base to an overall leadership position. It considers a program of "campaigns" (e.g. methane reductions) to improve efficiency and reduce emissions on the fastest, least-cost basis.
- **Focus**: Examines opportunities to improve operational efficiency to reduce emissions, targeting the assets responsible for the majority of emissions.

Highlights of scenario analysis

Analyzing Kiwetinohk's strategic options based on potential Business Transformation, Best in Class and Focus archetypes, supports our strategy to transition into an integrated Upstream and Power Division business but highlights several challenges:

- The scenario trends confirm the commercial attractiveness of CCS as an emissions abatement opportunity. The risks of lower oil price environment in the net zero emissions (NZE) from 2030 onwards also supports integration of abated natural gas power and renewable energy.
- Public policy support incentivizing the development of CCS is crucial to adoption. Alberta's CCS regulatory framework is supportive to date with additional fiscal incentives required at both the provincial and federal levels to address carbon price risk and competitiveness issues with the United States.
- Kiwetinohk has a early-stage plan for addressing its Upstream Scope 3 emissions through CCS at its large natural gas combined cycle facilities. Realizing the potential to significantly reduce Scope 3 emissions from natural gas in a commercial manner remains a challenge.
- Timing and ability to bring Kiwetinohk's large natural gas combined cycle projects with CCS through commercial and regulatory processes and into development is key given the $170/tonne carbon price in 2030 exposes to a material cost upside if CCS units are delayed.
- Kiwetinohk's Upstream business is highly cash generative. Given our focus on natural gas and Scope 1 methane emissions reductions, it is expected to be relatively resilient.

Enterprise risk management framework

To evaluate climate-related risks as part of enterprise level risks, as part of its public market listing in early 2022, Kiwetinohk assessed how policy, market, technology, reputation and physical risks may manifest in different IEA scenarios.

This work has continued with additional stress-testing of our business and assessment of our resiliency in a low-emissions economy.

We integrate climate-related risk identification and management into our broader enterprise risk management framework and it is considered integral to Kiwetinohk's ongoing upstream development plans and as we advance final investment decisions on our Homestead Solar Project and Opal Power Plant, and CCS hub opportunities.

Our business strategy and ESG approach addresses Kiwetinohk's carbon emissions footprint in terms of both direct and indirect GHG emissions (Scope 1 and Scope 2 emissions) as well as our value chain (Scope 3).

In 2023 we made significant progress in setting up systems and processes to provide continuous, accurate measurement and reporting of GHG emissions from Upstream operations.

As we work toward final investment decisions on our power projects, we include engineering estimates of GHG emissions in our decision framework as a core financial, technical and strategic consideration.

CCS hub updates

Kiwetinohk continues to conduct appraisal work on CCS, including evaluation of carbon capture technology options, for its Black Bear Natural Gas Combined Cycle Power Project (500MW) and its Opal High Efficiency Peaker Power Project (101MW).

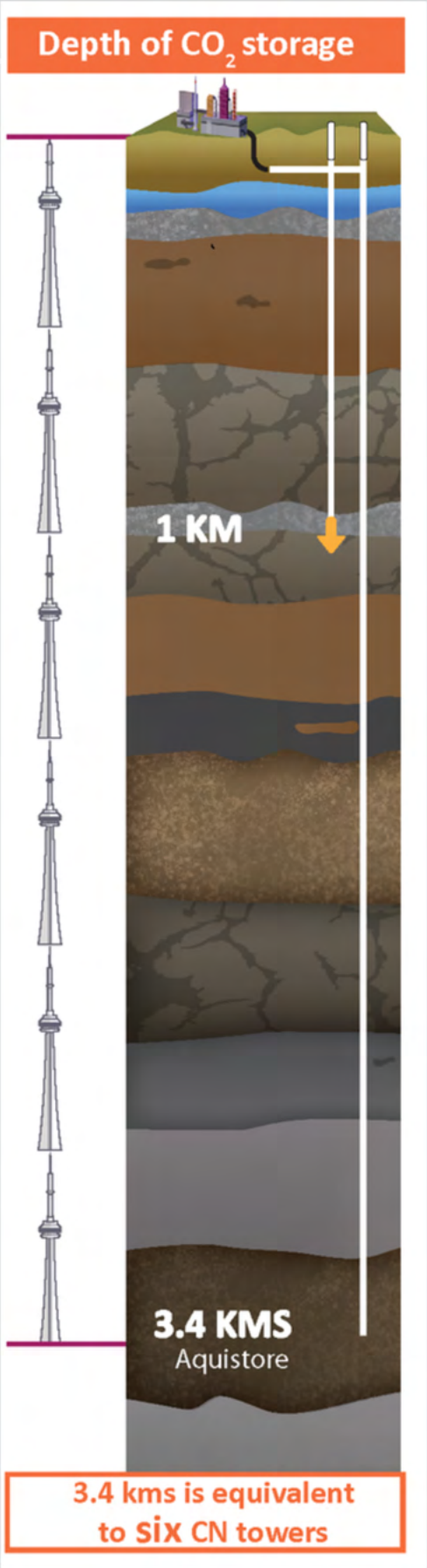
Our capture and sequestration hub development plans, scope and timing depend on a number of elements including the outcome of our carbon capture technology evaluations, geological assessment program results, economic feasibility and consultation with Indigenous nations, stakeholder engagement and regulatory approvals.

Safety

CCS is a proven and safe process that uses known technologies to capture, inject and monitor CO2.

Ensuring safe injection and storage of CO2 requires that all risks be identified, quantified and addressed. Storage risks are related to CO2 migrating out of geological storage to other areas of the subsurface or potentially to the surface from more than 1,000 metres below.

As we advance early plans for CCS, Kiwetinohk is leveraging its geological and GHG monitoring expertise to develop robust measurement, monitoring and verification systems so we can ensure all CO2 we inject remains safety underground.



CCS depth diagram courtesy of the International CCS Knowledge Centre. For more information, visit ccsknowledge.com.

GHG metrics and targets

Kiwetinohk scope 1 emissions include but are not limited to GHG emission from combusting natural gas from gas fired engines (generators, compressors, boilers, etc.) as well as methane from methane slip, pumps, pneumatics and fugitives from unintentional leaks.

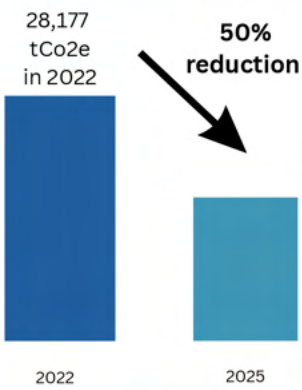
In 2023, total GHG emissions increased from 192,179 tonnes to 207,675 due to increased production. This resulted in reduced Scope 1 methane emissions intensity from 0.19 to 0.15 tonnes per barrel of oil equivalent. Vented methane emissions, our near-term focus, dropped from 28,177 to 18,914 metric tonnes of CO2 equivalent from 2022 to 2023 while combustion emissions increased due to increased throughput. (See the SASB data sheet on pages 65 to 69 for complete information on GHG emissions and methodologies.)

Our progress on vented methane in 2023 gives us the confidence to set the near-term GHG emissions target to reduce upstream methane venting by 50% by 2025, using 2022 as a baseline. We continue to assess additional Scope 1 methane combustion emissions reduction opportunities, setting targets where possible.

As two of our Power Division projects progress through engineering stages and reach final investment decision in 2024, we expect to assess estimated Scope 1 emissions, seeking reductions through improved design, fuel switching or other efficiencies. Final power purchase agreements, financing and ownership structure of our Power Division projects will allow us to estimate GHG emissions offset credits generated and available for internal use or sale.

Our 50% vented methane reduction target details

50% reduction in vented methane by 2025 (2022 baseline)



Kiwetinohk has implemented Kathairos nitrogen equipment at well sites to reduce use of methane to actuate pneumatics and pumps.

Scope 2 emissions

In 2023 we advanced options to electrify our natural gas processing facilities and to purchase renewable energy.

Purchasing renewable energy for our Upstream operations is a viable option to lower our Scope 2 emissions.

Scope 3 emissions

Kiwetinohk is not reporting estimated Scope 3 emissions for 2023. Plans are in development to measure and report Scope 3 emissions for future years' disclosures. Given that Scope 3 end-use emissions are by far the largest scope of emissions from oil and gas production and use, Kiwetinohk's long-term business strategy to develop natural gas combined cycle plants with CCS, seeks to address and eliminate Scope 3 emissions from consumer use as a primary goal.

Oil & Gas Methane Partnership 2.0

In 2023 Kiwetinohk became the first Canadian company to join the United Nations Environment Programme's Oil and Gas Methane Partnership (OGMP) 2.0. Using emissions monitoring technology, such as Qube (see below), we aim to achieve OGMP's 'gold standard' of methane reporting in 2025. More information on OGMP 2.0's 'gold standard' reporting requirements is available at https://globalmethane.org/challenge/ogmp.html

Kiwetinohk has installed Qube's continuous monitoring technology at most of our upstream facilities and multi-well pads.

Health and safety

"As we are coming off a strong year in terms of safety and environmental performance, our focus needs to ensure we do not become complacent. This is one of the biggest risks to an operation.

Safety is all about people and behaviors so it's important that we continue to learn and challenge ourselves every day."

Mike Backus, Chief Operating Officer - Upstream

Health and safety

We work to make our workplaces and communities safer for our people, our neighbours and the public.

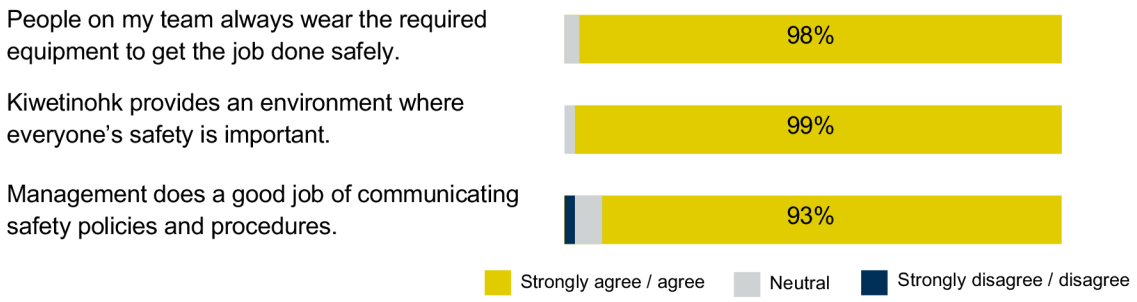
	Lost time frequency	Recordable frequency	Near miss frequency	Fatalities
Employees	0	0	0	0
Contractors	0	0.22	0.22	0

In 2023, Kiwetinohk's field and office staff worked to deepen our safety culture with ongoing focus on behaviours, programs and systems. We hired a field safety supervisor and extended our corporate office safety program with practical, hands-on safety initiatives focused on topics from mental health to ergonomics.

Safety culture

In Kiwetinohk's annual Organizational Health and Effectiveness Profile, a staff survey conducted each year, safety continues to be a stand-out area of strength. Safety was the highest scoring fundamental across the board for the second year in a row. Quantitative scores as well as qualitative comments indicate that staff feel Kiwetinohk prioritizes safety.

With 2023 as Kiwetinohk's second full year of operations, management continues to build the foundation of its safety culture, and sees opportunity to improve communication on safety policies and procedures in response to survey data and other qualitative feedback.



Upstream

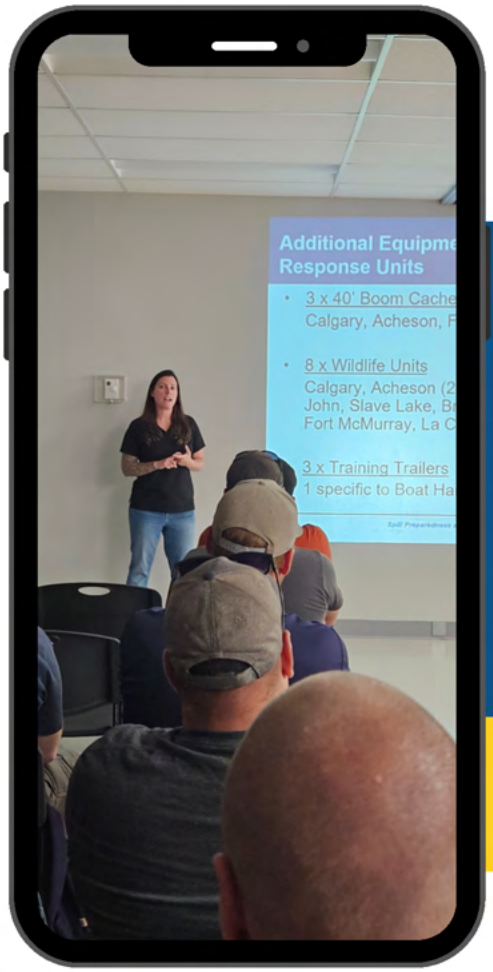
Upstream again saw continuous drilling and completions operations last year. We drilled, completed and brought on-stream a number of new wells, completed expansion projects at our Simonette gas plant – all of which contributed to record year-end exit production of approximately 30,000 boe/d.

While the Upstream division had no lost time incidents in 2023, we focused on learning from our near misses and minor incidents and improving our safety processes and documentation.

The most significant near miss in 2023 involved an excavator bucket making contact with a sour gas pipeline due to loss of visual with the pipeline. No puncture or release occurred. Kiwetinohk immediately stopped work, shut in and depressurized the pipeline, gathered on-location personnel, and reported the incident to the Alberta Energy Regulator.

The resulting investigation provided us with a number of improvement opportunities related to our onboarding processes, ground disturbance checklists, contractor qualifications and our responsibility to have a culture and sites where people will at all times stop unsafe work. This near miss is an excellent example our dependency on hiring contractors of high safety caliber, rigorous planning and continuous risk assessment, procedures and a strong safety culture where people see something and say something.

In this case, a safety stand-down also occurred. Given Kiwetinohk's actions, the Alberta Energy Regulator provided approval to proceed with the repair and to restart the pipeline.



A trainer from Western Canada Spill Services presenting to Kiwetinohk field staff on spill response.

Driving

Road safety continued as a theme for Kiwetinohk staff and contractors in 2023. Winter preparedness plans underwent full review and we formalized implementation. While we had no serious driving-related injuries or lost-time incidents as a result, we did have several motor vehicle incidents across staff and contractors in 2023. Defensive driving is a major focus of field staff safety meetings. Field road visibility can be challenging in all seasons due to snow, ice, dusty or smoky conditions. Kiwetinohk aims to lead by example on shared road infrastructure, operating under the same “see something, say something” rule we have at all sites.

Kilometer 1 on the Tower Road near Fox Creek, AB looking north.

2023 wildfire near Sturgeon Lake Cree Nation

Wildfires

The 2023 wildfire season started early and introduced a number of new process and occupational health and safety risks into our operating environment. Kiwetinohk started working through Alberta Wildfire in May 2023 to monitor developing wildfires in the Fox Creek area. Our emergency preparedness and response plans were activated and we immediately evacuated non-essential personnel and undertook efforts to safely shut in production to protect the safety of people, the environment and prevent damage.

In addition to the acute risks fire presents at any industrial facility, surrounding wildfires present health risks to workers from smoke inhalation. In 2023, Alberta wildfire smoke blanketed a large portion of Alberta and neighboring provinces. Other wildfires sent smoke into the United States. As a result, wildfire smoke awareness and precautions are now integrated into Kiwetinohk's overall industrial hygiene and wellness plans for field locations and offices.

In 2023, Kiwetinohk's assets did not sustain damage from wildfire. We are proactively preparing for the 2024 wildfire season, sharing our knowledge of area water infrastructure and radio road maps with Alberta Wildfire. Two select field team members with previous wildfire training are attending the Alberta Wildfire Dozer Boss Training to support firefighting efforts where needed.

Community and Indigenous inclusion

"Local hiring and contracting is good community relations, but when you consider the essential role local people and companies play in the industry, it's really just good business."

Sue Kuethe, Executive Vice President of Land and Community Inclusion

Supporting entrepreneurism

Kiwetinohk's microloan program with Indian Business Corporation boosts companies like Chowace Oil Field Services, a Sturgeon Lake Cree Nation company.

Allen Chowace and Jamie-Lee Goodswimmer are the owners and operators of Chowace Oilfield Services.

We aim to work together with Indigenous nations on whose traditional land we live and work, and with the stakeholders identified in our Prime Directive, to create a company that delivers value and opportunities.

This approach leads us to share and innovate and include people – from our local Indigenous operator trainees in our Upstream business to landowners and agricultural stakeholders around our solar renewable projects.

Kiwetinohk is a leading developer of energy in Alberta with natural gas and light oil production and more than two gigawatts of solar renewable and natural gas fired electricity under development.

We support Alberta communities through the creation of well-paid local jobs with Kiwetinohk directly or through local contracting and procurement.

In our Power Division, advancing regulatory approvals and early-stage design and engineering in 2023 involved a number of highly skilled companies and people to complete environmental assessments, front end engineering and design, and Indigenous and community consultation.

Power Division project construction will create more than 1,000 jobs across all projects during the construction phase, including training opportunities for skilled trades apprentices.

Indigenous operator trainee program

In 2023, Kiwetinohk welcomed its second cohort of Indigenous Operator Trainees with the addition of two members of the Sturgeon Lake Cree Nation. The Indigenous Operator Trainee program provides members of area First Nations and Metis nations with full-time employment, hands-on skill development and mentorship to qualify as a well and plant operator.

Oil and gas operations provides well-paid employment across Alberta. On the job training can be augmented with formal training at several Alberta post-secondary institutions. Oil and gas skills are highly transferrable to other safety-sensitive industries such as manufacturing and power generation.

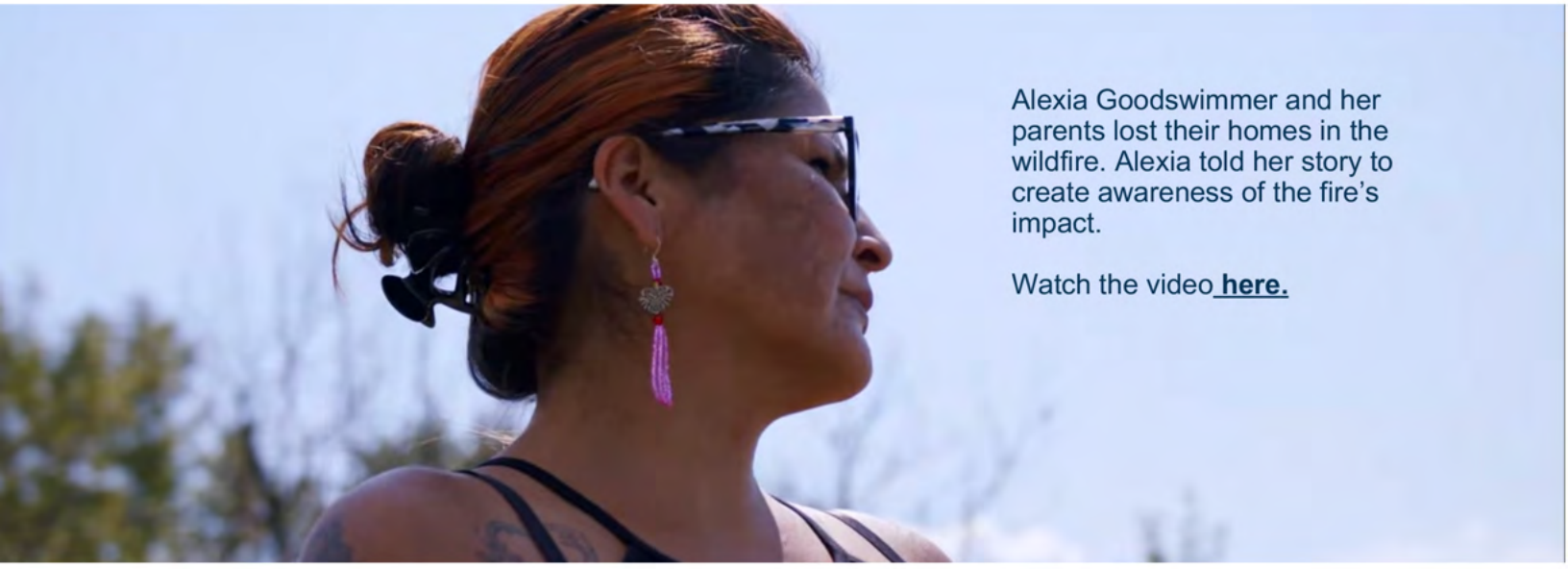
Kirk Moostoos (left) and Winterspirit Goodswimmer (right) on site. On-the-job training is critical to a career in energy operations.

2023 wildfire recovery

Last year was a devastating year for Alberta wildfires. In May, several out-of-control fires raged across central and northern Alberta. By early June, Alberta Wildfires estimated that almost 1.5 million hectares had burned. The Sturgeon Lake Cree Nation, near Valleyview, Alberta, was particularly hard hit, with more than three dozen homes and 10 band-owned buildings destroyed. More than 1,600 people evacuated safely, with dozens remaining displaced until the nation is able to rebuild.

Kiwetinohk staff immediately wanted to support Sturgeon Lake Cree Nation's recovery. But against the scale of Sturgeon Lake Cree Nation's losses, our ability to make an impact alone seemed small. So, we reached out to a number of industry partners to join us in raising funds. The response was huge and the Industry Partners' Golf Tournament Benefitting Sturgeon Lake Cree Nation was born.

On September 20, 2023 more than 100 companies and 200 golfers and volunteers came together to raise money for the people whose homes were lost to the fire. Sponsors included local Sturgeon Lake Cree Nation and service companies to national banks and law firms. In total, industry partners raised more than $600,000 for Sturgeon Lake Cree Nation's recovery.



Alexia Goodswimmer and her parents lost their homes in the wildfire. Alexia told her story to create awareness of the fire's impact.

Watch the video **here.**

Land, water and biodiversity

"We aim to protect land through responsible project planning and by meeting or exceeding regulatory requirements for land reclamation in both our Upstream and Power businesses."

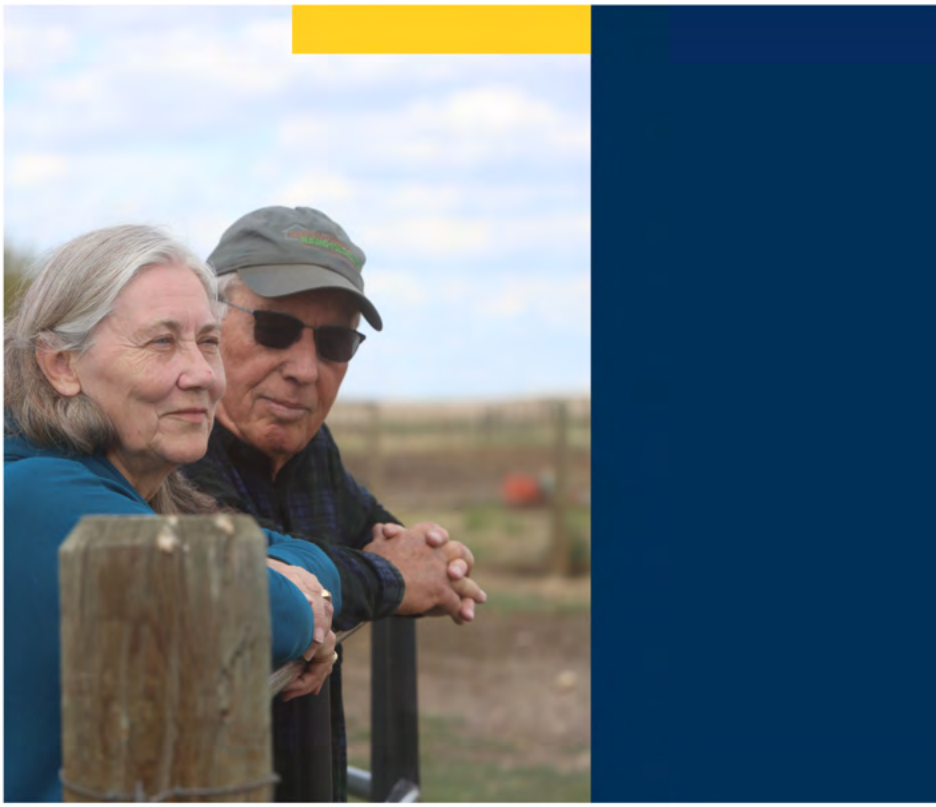
Janet Annesley, Chief Sustainability Officer

Our commitment to solar project landowners and communities

Renewable and affordable solar energy matters, but people and communities matter most of all. That's why Kiwetinohk is working hard to generate affordable renewable energy in a manner that both benefits electricity ratepayers and the agricultural communities where we work.

Kiwetinohk leases agricultural land for long-term solar development and we take pride in working with landowners to protect and enhance the land that's vitally important to them, their family and the community. Our goal is to integrate agricultural activities into our solar renewable developments, harnessing regenerative agriculture practices to protect and enhance soil health while continuing to produce valuable agricultural products.

- **Restoring and protecting agricultural land** – From planning and construction through to operations, our goal is to improve soil, water and air quality on and around our solar renewable project using regenerative practices.
- **Securing land reclamation** – Future remediation and reclamation of our leased land is secured through funding mechanisms included in our landowner lease agreements.
- **Community engagement** – We are working with landowners and stakeholders to develop goals for Kiwetinohk's ongoing agricultural activities on solar project sites.



Kiwetinohk is leasing land for its Homestead Solar Project from farmers, such as Allan and Bev Johnson (pictured here).

Long-term leases are a reliable way for farmers to generate income from their land while preserving it for future generations.

Stock image of sheep grazing at a solar farm.

Agrivoltaics - Moving beyond sheep

Ask any Albertan, our province is unique. We love energy, our blue sky, our Western heritage, and whether we come from Canmore's Rocky Mountains or Lethbridge's grasslands, we love our land. Our connection to the land shapes us, so land development -- and land use changes – can threaten our community, and our sense of self.

Given massive development and investment in Alberta's renewable power sector over the past decade, renewable energy development has become one of these changes Albertans have started asking questions about.

In 2023, in response to feedback from landowners and stakeholders around our proposed solar renewable projects near Claresholm and Sylvan Lake, Kiwetinohk began exploring agrivoltaics, the integration agricultural activities into solar photovoltaic (PV) projects.

At some existing solar sites in Alberta, agrivoltaics is used today, primarily in the form of grazing sheep for vegetation management. But given the size and flat nature of land tracts, improvements in PV equipment efficiency, and changes PV panels bring with beneficial shade and improved moisture conditions on a site, the potential for agrivoltaics in Alberta is much larger than originally understood.

Understanding how to develop agrivoltatic practices that maximize land use, food nutrient density, and energy productivity from land should be our goal. We believe that, furthermore, agrivoltaics activities should be implemented in a way that preserves and improves soil health at solar sites over the project life.

In addition to engaging with landowners and stakeholders, Kiwetinohk works with agricultural consultant Jason Bradley, owner of Regener8ve Ag, Inc. to develop agrivoltaics research objectives, reach out to governments and potential research partners, and to incorporate agricultural practices from project design through operations and end-of-life.

“Kiwetinohk is at the front end of developing agrivoltaics concepts and working with landowners,” said Jason. “Demonstrating to companies, landowners and communities how solar farms can include crops and grazing, and that doing so benefits the community, the soil and the business, is my goal.

“Alberta is a leader in solar development and a leader in agriculture, so becoming a leader in agrivoltaics is in our nature,” he added. “This is simply a much better approach.”

Upstream asset retirement

For 2023, Kiwetinohk's Alberta Energy Regulator mandatory spend was $613,000 with Kiwetinohk spending more than 6x this amount.

Aerial images of previously abandoned, restored and tree-planted well sites. Currently in the monitoring phase before final closure assessment.

Kiwetinohk views abandonment and reclamation of inactive wells, well sites and facilities as a priority and we aim to spend more than the prescribed mandatory amount each year.

We routinely assess current active, and future, asset retirement obligations, establishing metrics to estimate and plan for those abandonment and reclamations costs.

Water management

Kiwetinohk uses fresh water in its Upstream operations and works diligently to protect Alberta's freshwater resources from contamination from spills and damage from other activities, such as road construction.

With projects currently in the development phase, the Power Division water use is expected to be minimal with solar renewable consumption limited to solar panel cleaning and Kiwetinohk's Black Bear Natural Gas Combined Cycle Project anticipating net water production due to integration of an air-cooled condenser. Design phase measures like this mitigate the Black Bear Project's environmental footprint by mitigating the facility's need for water during low seasonal water availability and need for large water storage.

Upstream freshwater use

In 2023, our Upstream business used 716,754 cubic meters of fresh water, largely sourced from groundwater, Little Smoky Rivers, and areas creeks and streams. This water was used largely in hydraulic fracturing, an essential part of Kiwetinohk's drilling and completions activities.

Kiwetinohk has significant water storage facilities, with a total of about 650,000 cubic meters of water storage across 3 pits. Water storage allows Kiwetinohk to divert water to storage during times of high water flow, typically in the spring and early summer, and helps us avoid diverting water during low flow fall and winter months.

At this time, Kiwetinohk does not treat and recycle water to reduce freshwater use.

In 2023, Kiwetinohk handled 482,978 cubic meters of produced water and flowback. Kiwetinohk had no produced water spills or releases in 2023. However, we seek to minimize transportation of produced water contaminated with saline, drilling mud, fracturing fluids and other substances from drilling locations to treatment facilities due to increased risk of spills and damage to the environment.

~640,000 cubic meters of water storage with prolific ground- water wells to backfill storage

Operating in a water basin with sufficient supply

Term licenses for river withdrawl

3rd party water basin study underway

Joanne Germain, EHS Controller

Kiwetinohk's EHS Controller, Joanne Germaine, is responsible for overseeing our EHS data integrity and works closely with the Chief Sustainability Officer, Chief Operating Officer - Upstream and field operations personnel on data collection and interpretation.

Joanne brings 20+ years' experience in health, safety and environmental management to her role.

Spill response training (below)

Kiwetinohk field staff and contractors are required to undertake annual spill response training with Western Canadian Spill Services (WCSS) to augment and improve our emergency preparedness and response programs. A membership-based training and equipment co-operative, WCSS helps ensure its members can safely, quickly and effectively respond to spills.

Watercourse crossings

Kiwetinohk recognizes the importance of proper roadway watercourse crossing management to protect Alberta's provincial fishery. In the last decade Alberta's native trout populations have declined with some species particularly vulnerable to habitat degradation and fragmentation of river networks.

Restoring habitat lost or damaged by historical roadway stream crossings can assist in the recovery of native trout species, such as the Athabasca Rainbow Trout, which is listed as Endangered by the national committee on the Status of Endangered Wildlife in Canada.

Kiwetinohk employs a full lifecycle approach towards our roadway watercourse crossings. The annual cycle of work includes conducting crossing inventories, ecological prioritization of repairs, restoration planning, regulatory permitting and restoration and replacements.

- **Our restoration plan and budget aims to complete 3 - 5 watercrossing restorations each year.**
- **From 2019 to first quarter 2024, we restored more than 500 kilometres of fluvial upstream habitat.**

Below is a watercourse during restoration. These streams are important habitat for several trout species, including the Endangered Athabasca Rainbow Trout (pictured) and the Threatened Bull Trout. Restoring habitat and eliminating habitat fragmentation is a critical part of the trout's recovery plan.

CCS depth diagram courtesy of the International CCS Knowledge Centre. For more information, visit ccsknowledge.com.

CCS depth diagram courtesy of the International CCS Knowledge Centre. For more information, visit ccsknowledge.com.

Diversity, equity, inclusion and belonging

> “Our success depends on a diversity of people, each with unique skills, working together in high performing teams to achieve our common goals.”
>
> Lisa Wong, Senior Vice President, Business Systems

Kiwetinohk aims to be a top employer in the energy industry, creating a place where people feel valued, respected and a connected to our mission and each other.

In addition to offering the employees, contractors and consultants that work with us the opportunity to contribute to a compelling vision for Alberta's energy sector, we work to provide a respectful, inclusive and engaging work environment, including:

- Competitive pay and employee benefits
- Career growth and professional development
- A physically- and psychologically-safe workplace
- Opportunities to participate in the development of new energy projects
- Ability to bring your whole self to work and be valued for your skills and talent

Kiweitnohk staff took in-person and virtual Diversity, Equity, Inclusion and Belonging training with The Leaders Circle and Monark. The training covered a variety of topics, including creating "brave space" for learning conversations about each other, building awareness of unconscious bias, and effective allyship.

kiwetinohk.com

2023 diversity survey

We conduct an annual Diversity, Equity, Inclusion and Belonging Survey of Kiwetinohk employees, contractors and consultants.

In 2023 we had a 55% survey completion rate.

The results show strong diversity across gender, race, ethnicity and disability indictors, including:

- 5% of people identify as Indigenous, including First Nations and Metis heritage
- 25% female employees / 66% male employees
- Non-binary and two-spirited representation
- 12% identify as having a disability
- People who are part of the 2SLGBTQ+ community

Note: Kiwetinohk did not ask for age-related data.

Senior leadership team representation

40% female
60% male
20% BIPOC

Board composition

22% female
78% male
22% BIPOC

SASB Data Sheet

Indicator	Activity	Units	2022	2023
OPERATIONS				
EM-EP-000.a	Production of:			
	1) Oil and NGLs	boe/day	8,209	9,952
	2) Natural gas	boe/day	9,643	12,635
	Total	boe/day	17,852	22,587
EM-EP-000.b	Number of offshore sites	#	0	0
	Number of terrestrial sites	#	566	577
GREENHOUSE GAS EMISSIONS				
EM-EP-110a.1	Gross global scope 1 emissions (see footnotes)	tonnes CO2e	192,179	207,675
EM-EP-110a.1	Gross global scope 2 emissions (see footnotes)	tonnes CO2e	5,697	5,477
EM-EP-110a.1	Emissions intensity - Scope 1	tonnes / BOE	0.19	0.15
EM-EP-110a.1	Methane emissions	%	14%	11%
EM-EP-110a.1	Emissions covered under emissions-limiting regulations	%	95%	95%
EM-EP-110a.2	Flared hydrocarbons	Metric tonnes CO2e	7,842	8,499

Indicator	Activity	Units	2022	2023
GREENHOUSE GAS EMISSIONS				
EM-EP-110a.2	Other combustion	Metric tonnes CO2e	154,366	176,464
EM-EP-110a.2	Process emissions	Metric tonnes CO2e	0	0
EM-EP-110a.2	Vented emissions	Metric tonnes CO2e	28,177	18,914
EM-EP-110a.2	Fugitive emissions	Metric tonnes CO2e	1,794	3,799
	Flared gas	Thousand cubic meters	3,161	3,432
	Vented gas	Thousand cubic meters	1,752	1,565
AIR EMISSIONS				
EM-EP-120a.1	Nitrogen oxides (excluding nitrogen dioxide)	Metric tonnes	1,409	1,707
EM-EP-120a.1	Sulphur oxides	Metric tonnes	28	68
EM-EP-120a.1	Volatile organic compounds	Metric tonnes	112	121
EM-EP-120a.1	Particulate matter	Metric tonnes	24	31
WATER				
EM-EP-140a.1	Total fresh water withdrawn	Cubic meters	829,142	716,754
EP-EP-140a.1	Total fresh water consumed	Cubic meters	829,142	716,754
EM-EP-140a.2	Volume of produced water and flowback generated	Cubic meters	423,058	494,886
EM-EP-140a.2	Water discharged	%	0	0
EM-EP-140a.2	Water injected	%	100	100

Indicator	Activity	Units	2022	2023
WATER				
EM-EP-140a.2	Water recycled	%	0	0
EM-EP-140a.2	Hydrocarbon content in discharged water	Metric tonnes	0	0
EM-EP-140a.3	Hydraulically fractured wells for which there is public disclosure of all fracturing fluid chemicals used	%	100%	100%
EM-EP-140a.4	Hydraulic fracturing sites where ground or surface water quality deteriorated compared to a baseline	#	0	0
BIODIVERSITY				
EM-EP-160a.2	Number of aggregate volume of hydrocarbon spills	#, cubic meters	1:1	0
EM-EP-160a.2	Volume of hydrocarbon spills in the Arctic	#	0	0
EM-EP-160a.2	Volume of hydrocarbon spills impacting shorelines with ESI rankings 8 - 10	Cubic metres	0	0
EM-EP-160a.2	Volume of hydrocarbon spills recovered	Cubic metres	0.75	0
EM-EP-160a.3	Proved and probable reserves in or near sites with protected conservation status or endangered species habitat	%	66% - in or near Species at Risk habitat	76% - in or near Species at Risk habitat
HEALTH & SAFETY				
EM-EP-320a.1	Lost-time frequency: full-time employees	#	0	0
EM-EP-320a.1	Lost-time frequency: contractors	#	0	0

Indicator	Activity	Units	2022	2023
HEALTH & SAFETY				
EM-EP-320a.1	Recordable frequency: full-time employees	#	0	0
EM-EP-320a.1	Recordable frequency: contractors	#	0.56	0.22
EM-EP-320a.1	Fatalities: employees and contractors	#	0	0
EM-EP-320a.1	Near miss frequency rate: full-time employees	#	0	0
EM-EP-320a.1	Near miss frequency rate: contractors	#	0	0.22
EM-EP-320a.1	Average hours of health, safety and emergency response training	#	Not reported	Not reported
EM-EP-320a.2	Discussion of management systems used to integrate a culture of safety throughout the exploration and production lifecycle	Discussion & analysis	See Health & Safety Section	See Health & Safety Section
SECURITY, HUMAN RIGHTS & RIGHTS OF INDIGENOUS PEOPLES				
EM-EP-210.1	Proved or probable reserves in or near areas of conflict	%	0	0
EM-EP-210.1	Proved or probable reserves in or near Indigenous land	%	100% - Treaty 6, 7 and 8 land, which is also Metis homeland	100% - Treaty 6, 7 and 8 land, which is also Metis homeland
EM-EP-210.2	Number and duration of non-technical delays	#	0	0
BUSINESS ETHICS & TRANSPARENCY				
EM-EP-501a.1	Proved or probable reserves in countries that have the 20 lowest rankings in Transparency International's Corruption Perception Index	%	0	0

Indicator	Activity	Units	2022	2023
BUSINESS ETHICS & TRANSPARENCY				
EM-EP-510a.2	Description of the management system for prevention of corruption and bribery throughout the value chain	Management discussion & analysis	See TCFD - Governance	See TCFD - Governance
EM-EP-530a.1	Discussion of corporate positions related to government regulations and / policy proposals that address environmental and social factors affecting the industry	Management discussion & analysis	See TCFD - Public policy positions	See TCFD - Public policy positions
EM-EP-540a.1	Critical Process Safety Event Incident Risk rates for Loss of Primary Management Containment of greater consequence (Tier 1)	#	0	0
CRITICAL INCIDENT MANAGEMENT				
EM-EP-420a.1	Sensitivity of hydrocarbon reserve levels to future price project scenarios that account for a price on carbon emissions	Discussion & analysis	See TCFD - Strategy	See TCFD - Strategy
ECONOMIC				
EM-EP-420a.2	Estimated carbon dioxide emissions embedded in proved hydrocarbon reserves	Metric tonnes CO2e	Not reported	Not reported
EM-EP-420a.3	Amount invested in renewable energy, revenue generated by renewable energy sales	Canadian dollars	$9,689,717; $0	$8,094,287; $0
EM-EP-420a.4	Discussion of how price and demand for hydrocarbons and / or climate regulation influence the capital expenditure strategy for exploration, acquisition and development of assets	Management discussion & analysis	See TCFD - Strategy, Risks	See TCFD - Strategy, Risks

1. The Kiwetinohk 2023 ESG report includes performace data from Q4 2021 and 2022 unless otherwise noted.
2. All operating assests in 2023 are included (including fleet fuel).
3. Gases include in Scope 1 and 2 Caculations: CO2, CH4, Nox, Sox, VOC, PM. Scope 1 and 2 metric tonnes and tonnes CO2e are as follows: CO2 - 167972.40 tonnes; CH4 - 1,479.57 tonnes, ; N2O - 44.38 tonnes, 213,152.46 tCO2e
4. Emissions from non-variable fuel have been included.
5. Scope 2 emissions reflect emissions from purchased electricity using the location-based methodology. Kiwetinohk does not currently engage in any contractual or market-based instruments. Corporate building emissions are not included.
6. Sources of emission factors and global warming potentials used in calculations: All emissions factors used for Scope 1/2 emissions, ODS, Nitrogen Oxides, Sulphur Dioxide, Other Significant Air Emission, and Biogenic Emissions are provided by the Canadian Association of Petroleum Producers (CAPP), Canada Energy Regulator (CER), Environmental Climate Canada (ECCC) and Alberta Environment and Protection Areas. Source of global warming potential values is IPCC AR5.
7. GHG Scope 1 and Scope 2 emissions are calculated using locally regulated methodology or locally recognized industry standards as well as GWRI/WBCSD GHG Protocol. Emissions data has been consolidated based on operational-control.
8. Fugitive Emission are calculated using AER Manual 15 protocol.

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Independent Practitioner's Limited Assurance Report

To the Board of Directors of
Kiwetinohk Energy Corporation

We have undertaken a limited assurance engagement of the accompanying scope 1 and scope 2 greenhouse gas ("GHG") emissions of Kiwetinohk Energy Corporation ("KEC") for the year ended December 31, 2023 (collectively referred to as the "GHG Emissions Figures"), as reported in Appendix A.

Management's Responsibility

Management is responsible for the preparation of the GHG Emissions Figures in accordance with the World Resources Institute and World Business Council for Sustainable Development Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (2004) (Revised Edition) (the "applicable criteria"). Management is also responsible for such internal control as management determines necessary to enable the preparation of the GHG Emissions Figures that is free from material misstatement, whether due to fraud or error.

Our Responsibility

Our responsibility is to express a limited assurance conclusion on the GHG Emissions Figures based on the procedures we have performed and the evidence we have obtained. We conducted our limited assurance engagement in accordance with Canadian Standard on Assurance Engagements (CSAE) 3000, *Attestation Engagements Other than Audits or Reviews of Historical Financial Information*. This standard requires that we plan and perform this engagement to obtain limited assurance about whether the GHG Emissions Figures are free from material misstatement.

A limited assurance engagement involves performing procedures (primarily consisting of making inquiries of management and others within the entity, as appropriate, and applying analytical and other procedures) and evaluating the evidence obtained. The procedures also include assessing the suitability in the circumstances of KEC's use of the applicable criteria as the basis for the preparation of the GHG Emissions Figures. The procedures are selected based on our professional judgment which includes identifying areas where the risks of material misstatement of the GHG Emissions Figures are likely to arise, whether due to fraud or error.

Our engagement included the following procedures, among others:

- Inquiring with relevant KEC management and staff responsible for the preparation and reporting of the GHG Emissions Figures;
- Obtaining an understanding of the underlying data that is used as an input into the calculation of the GHG Emissions Figures, including emission factors and conversion factors;

- Obtaining an understanding of the process used to prepare and report the GHG Emissions Figures;
- Agreeing, testing, and re-calculating the underlying data related to the GHG Emissions Figures on a sample basis; and
- Assessing the appropriateness of the GHG emissions factors applied.

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement conducted in accordance with the Canadian Standards on Assurance Engagements. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had we performed a reasonable assurance engagement. Accordingly, we do not express a reasonable assurance opinion about whether the GHG Emissions Figures have been prepared, in all material respects, in accordance with the applicable criteria.

Our Independence and Quality Management

We have complied with the independence and other ethical requirements of the relevant rules of professional conduct/code of ethics applicable to the practice of public accounting and related to assurance engagements, issued by various professional accounting bodies, which are founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

The firm applies Canadian Standard on Quality Management 1, *Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements*, which requires the firm to design, implement and operate a system of quality management, including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Significant Inherent Limitations

Environmental and energy use data are subject to inherent limitations of accuracy given the nature and the methods used for determining such data. The selection of different acceptable measurement techniques can result in materially different measurements. The precision of different measurement techniques may also vary.

Conclusion

Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that the GHG Emissions Figures of KEC for the year ended December 31, 2023 are not prepared, in all material respects, in accordance with the applicable criteria.

Specific Purpose of Applicable Criteria

The GHG Emissions Figures have been prepared in accordance with the applicable criteria to assist KEC with internal reporting. As a result, the GHG Emissions Figures may not be suitable for another purpose.

While Deloitte acknowledges the disclosure of our limited assurance report that will be made in full only by KEC at its discretion in KEC's 2024 ESG Report, Deloitte does not assume or accept any responsibility or liability to any other third party in respect of such disclosure and the report therein.

Deloitte LLP

Chartered Professional Accountants
Calgary, Alberta
May 8, 2024

Appendix A

Kiwetinohk Energy Corporation
GHG Emissions Figures
For the year ended December 31, 2023

GHG emissions	Year ended December 31, 2023 (tCO2e)
Scope 1 emissions	207,675
Scope 2 emissions	5,477

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