

TSX: TVE



# SHAPING THE FUTURE OF ENERGY

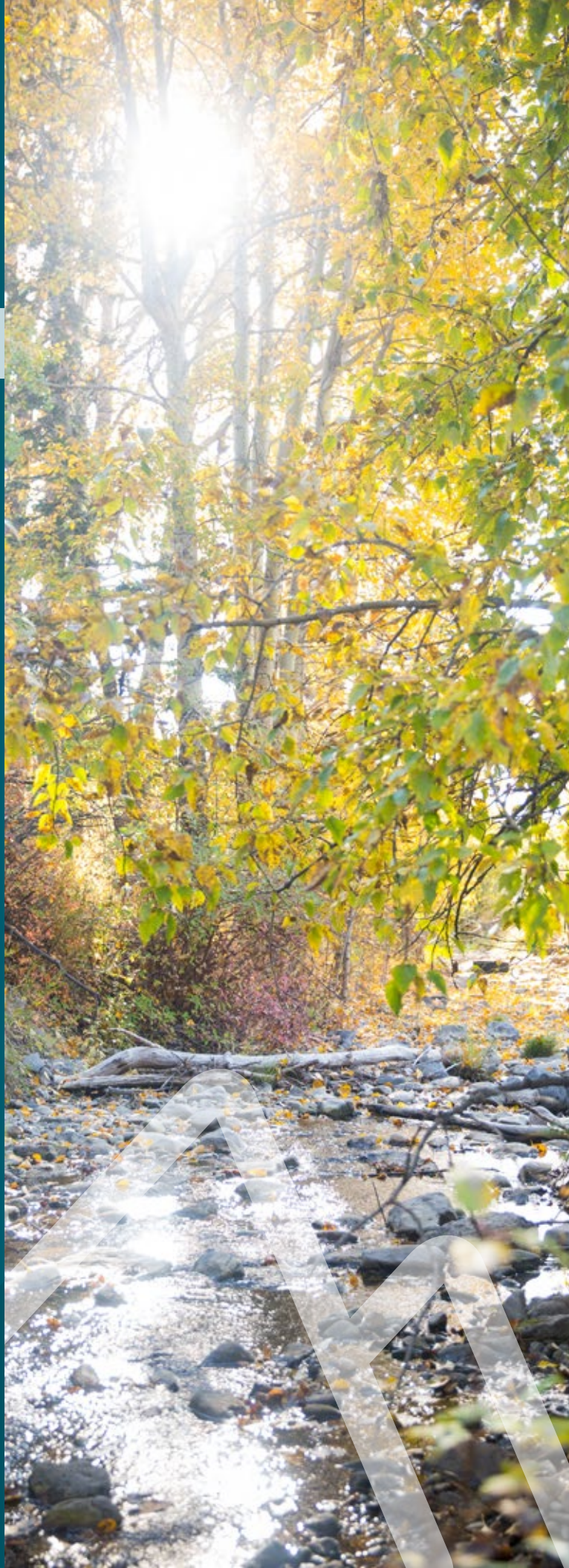
**2023** | SUSTAINABILITY  
REPORT



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This report includes reference to the Global Reporting Initiative (GRI) Standards (GRI Consolidated Standards, 2020 and G4 Sector Disclosure – Oil & Gas, 2012) for the sustainability issues that were deemed relevant to stakeholders. This report includes standard suggested disclosures but does not include all of the requirements to be considered in full accordance with GRI Standards. For a full list of associated disclosures, please refer to the “Data & References” section of the report titled “GRI References” for more information. This report is based on an annual reporting cycle and, unless specifically noted, is as of December 31, 2022 and compared to the same period in 2021 and 2020.



# STAKEHOLDER MESSAGE



From Left: Steve Buytels – VP, Finance & CFO, Brian Schmidt – President & CEO, Kevin Screen – COO

Tamarack Valley Energy Ltd. (Tamarack) is pleased to share our fourth annual sustainability report, highlighting our ongoing commitment to environmental, social and governance (ESG) principles and progress on our key performance indicators and goals. We remain committed to ensuring long-term sustainability by operating at the intersection of economic value and corporate responsibility.

The many strategic and tactical changes in our business through 2021 and 2022 have positioned Tamarack to be a leader in reshaping the future of energy in the oil and gas industry. Our asset base has continued to evolve under our growth and portfolio rationalization strategy in order to deliver long-term responsible energy and shareholder returns. While the \$1.7 billion in asset acquisitions were highly economic, the acquired assets require financial and human resource investments to improve their environmental and social footprints. As a well-capitalized consolidator with a keen focus on environmental and social responsibility, Tamarack is in a stronger position to responsibly develop these assets than the predecessor corporations.

We continue to apply the same rigorous ESG standards for our legacy assets to our new asset base and have earmarked significant capital in 2022 through 2024 to emissions reduction projects. We have also increased our financial commitments to asset retirement spend to cover a larger asset base. This year’s report reflects operational changes resulting from strategic acquisitions that were closed in both 2021 and 2022 and outlines the initiatives that are underway to align these new assets with our established ESG principles.

Through 2022, Tamarack also demonstrated ESG leadership with the issuance of the first sustainability-linked note in the North American oil and gas producer space, with an initial issuance of \$200 million in February and an additional issuance in September. With the addition of this leading-edge debt product, the majority of Tamarack’s debt capital is in sustainability-linked products, increasing the accountability and transparency for priority ESG metrics. In 2022, we also expanded our Indigenous relations with exciting new potential partnerships and redoubled efforts to ensure the safety of our workforce through refinement of strong existing health and safety programs.

We acknowledge the two tragic contractor fatalities that occurred on November 12, 2022. The Tamarack family is deeply saddened by this tragedy and extends our deepest sympathies to the families of these individuals. Prior to this event, Tamarack had an excellent safety record. Tamarack is taking this event very seriously. We are conducting a full investigation to identify all causes and will implement further preventative measures for our safety program.

Tamarack is proud, not only of our own progress, but also of the progress that we have collectively made in the Canadian energy industry. We look forward to growing alongside our valued peers and partners as we shape the future of responsible Canadian energy.

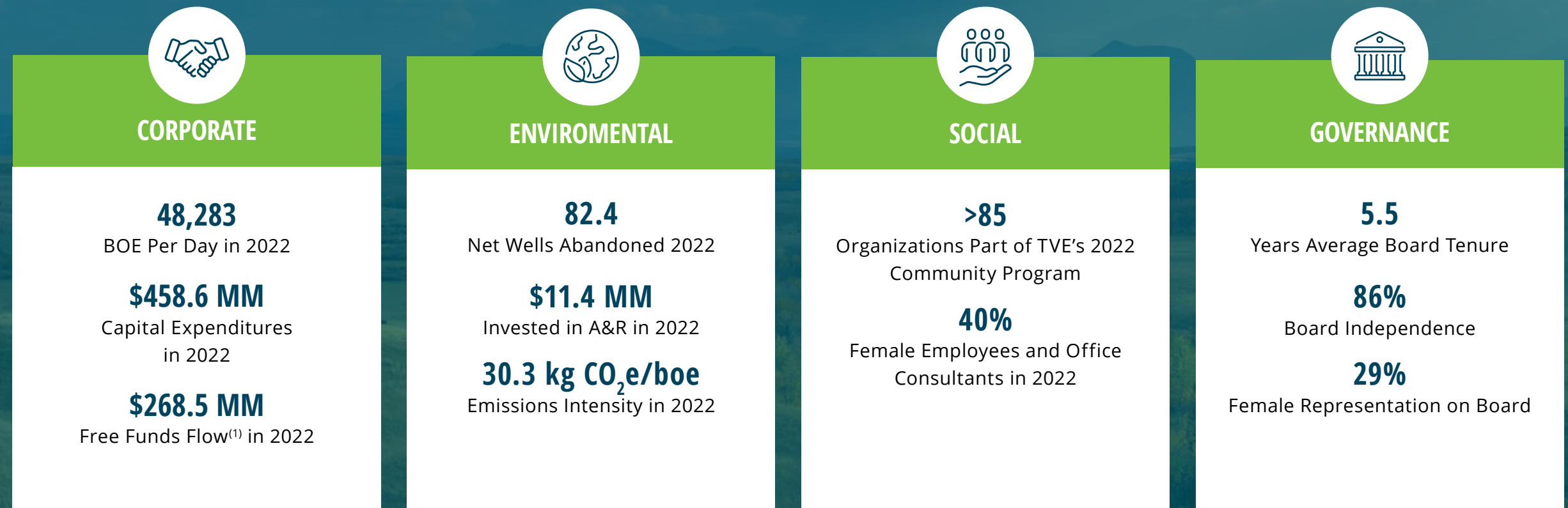
**Brian Schmidt (Aakaikitstaki)**  
President & CEO

# ABOUT TAMARACK

Tamarack is an oil and gas exploration and production company committed to balancing operational and financial excellence with environmental and social responsibility. By operating at the intersection of profitability and corporate responsibility, Tamarack creates long-term value for its shareholders through sustainable free funds flow generation, financial stability and the return of capital, while simultaneously ensuring we deliver on our environmental, social and governance (ESG) commitments and goals. The Company has an extensive inventory of low-risk, oil development drilling locations focused primarily on Charlie Lake, Clearwater and EOR plays in Alberta.

For more information, please visit the Company's website at [www.tamarackvalley.ca](http://www.tamarackvalley.ca)

## TAMARACK AT-A-GLANCE



(1) Free funds flow (FFF) does not have a standardized meaning prescribed by IFRS and therefore may not be comparable with the calculation of similar measures for other entities. See "Oil and Gas Metrics" and "Specified Financial Measures" in the Annual Management's Discussion & Analysis, available at [www.tamarackvalley.ca](http://www.tamarackvalley.ca), for further clarification

# SUSTAINABILITY PROGRAM

A significant component of Tamarack’s success can be attributed to the prioritization of operational excellence and a robust sustainability program, which simultaneously advance our ESG goals and financial results.

Our sustainability program dictates how our underlying beliefs will evolve into concrete actions, reflecting our growing sustainability commitment. We're delighted to share our achievements so far and outline our future priorities.



## EMISSIONS MANAGEMENT

Emissions management includes the priority topic of GHG and emissions management. It is aligned with the SASB disclosure topics of greenhouse gas emissions and air quality.



## WATER MANAGEMENT

Water management includes the priority topic of water use. It is aligned with the SASB disclosure topic of water management.



## LAND & BIODIVERSITY PRESERVATION

Land and biodiversity preservation includes the priority topic of asset retirement and land reclamation as well as the significant topics of ecosystem and biodiversity management and product leaks and spills. It includes information from the SASB topics of biodiversity impacts and critical incident risk management.



## STAKEHOLDER ENGAGEMENT

Stakeholder engagement includes the priority topic of Indigenous rights and the significant topic of community partnership. It aligns with the SASB disclosure topics of security, human rights and rights of Indigenous peoples as well as community relations.



## ETHICAL GOVERNANCE

Ethical governance includes the significant topics of safety and ethical governance. It aligns with the SASB disclosure topics of workforce health and safety as well as business ethics and transparency.

BOARD OVERSIGHT OF ESG INTEGRATES WITH MANAGEMENT AND TEAM



*Sustainability touches every corner of our organization. While oversight of sustainability is specifically included in the Environment, Safety, and Sustainability committee mandate, all committees are engaged at some level in the oversight and integration of our sustainability.*

Tamarack conducted a materiality assessment in 2020 to identify key ESG factors based on data from external resources such as stakeholder interactions, industry regulations and public third-party information, guided by the recommendations of GRI. Tamarack will revisit the materiality assessment in 2023 and will refine our assessment process on a continuous basis, including the identification of key factors; prioritization of identified factors; and alignment with Tamarack’s long-term strategic direction.

To access our current materiality matrix or to learn more about our materiality assessment, visit our website through the learn more link below.

[LEARN MORE →](#)

# OPERATING WITH INTEGRITY

## UPHOLDING A CULTURE OF SAFETY AND ETHICS

Through a corporate culture that places a high priority on safety performance and ethical behaviour, we are solidifying a foundation for the future of our Company and the Canadian energy sector.



# GOVERNANCE PRIORITIES

## ETHICAL GOVERNANCE

Ethical governance is a fundamental component of Tamarack’s operations. Our commitment to governance is reflected in our extensive policies, procedures and corporate values that advocate for transparency, sustainability and adherence to legal and regulatory requirements. These principles are embedded within our organizational structure, reinforcing our commitment to responsible operations and conduct.



### 2022 ACHIEVEMENTS



**29% female** directors on the board with a commitment of >30% by Q1 2023\*



**2 years assurance** over select key ESG reporting metrics completed



**5 workplans** implemented for the board and committees



**73 programs** attended by board members to ensure continued development



### COMMITMENT

*Tamarack is committed to transparency, diversity and the highest level of ethics within our governance practices.*

### GOALS

1. Increase transparency of ESG through third-party assurance of reporting

2. Increase Board diversity through gender and ethnicity representation as well as skills matrix diversity, including 30% women on the board

3. Review and revision of all key corporate policies

### TIMELINE

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\* Subsequent to year end, Tamarack’s board increased to 37.5% female

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## SHAPING THE FUTURE OF ENERGY: BOARD EDUCATION AND DEVELOPMENT

In our rapidly evolving marketplace, information is continuously transforming. Because of this rapid evolution of information, developing human capital and corporate knowledge has become even more paramount to our organization to be best positioned to manage evolving business risk. In 2022, Tamarack accelerated investment in human capital development across all levels of the organization. As leaders in the highest level of the organization, our Board members led the charge as role models in the continued pursuit, and transparent tracking, of professional and educational development. In total, members of the Board attended 73 recorded development sessions totaling more than 200 hours of professional development on topics ranging from ESG Oversight and Governance to the Energy Transition. A full list of the professional development activities can be found in the 2023 Management Information Circular.

[LEARN MORE →](#)

## BOARD GOVERNANCE STRUCTURE AND COMPOSITION



## DIVERSITY & INCLUSION

We are proud of our inclusive culture at Tamarack and continue to invest in changes that further promote diversity in the work environment. At the Board level, Tamarack has made a policy declaration to increase gender diversity to >30% female representation by May of 2023 and we continue to look for ways to increase ethnic diversity. In addition to visible diversity, Tamarack prioritizes diversity of experience and skillset in our highest levels of governance to ensure that our Board brings the skills and experience needed to support and elevate the organization in the long-term.

[LEARN MORE →](#)



**29%**  
FEMALE



**86%**  
INDEPENDENT DIRECTORS



**60 YEARS**  
AVERAGE AGE



**5.5 YEARS**  
AVERAGE TENURE





# HEALTH & SAFETY

People are the engines that drive our organization and Tamarack places the highest priority on the protection of our people, our partners and our communities.

Tamarack has an internal committee of employees dedicated to identifying areas of improvement for health and safety, including the long-term physical and mental health of individuals across the organization. Our employees are offered a comprehensive health benefits package along with mental health supports.



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## 2022 ACHIEVEMENTS



**60 meetings** (safety or onsite) attended by senior leaders to promote a safety culture



**4 ERP** (emergency response plan) simulations completed



**80% satisfactory** inspections by third-party regulators versus industry average of 73%



**927 inspections** completed internally on operating and development sites



## COMMITMENT

*Tamarack is committed to a culture that prioritizes safety, proactively rectifies risks and continuously educates team members on safety protocols.*

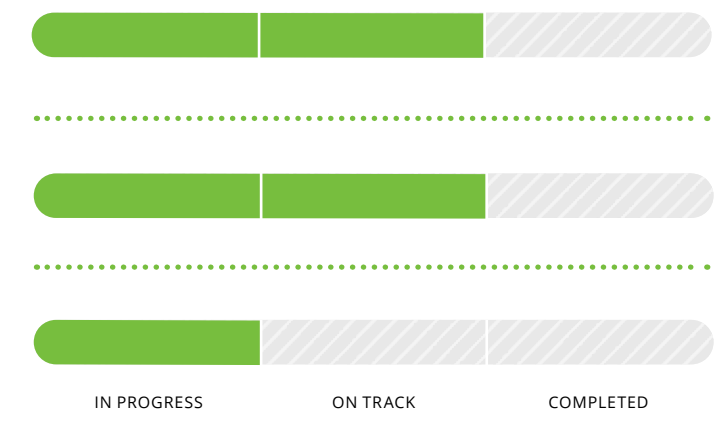
## GOALS

1. Conduct 12 ERP exercises on an annual basis, with at least one major exercise, representing all asset and functional areas of the organization
2. 100% of site specific operating procedures built and implemented for existing facilities
3. Completion of a minimum of three internal audits on an annual basis to facilitate third-party certification in the final year

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### SHAPING THE FUTURE OF ENERGY: FURTHERING SAFETY MANAGEMENT

Tamarack is dedicated to prioritizing the safety of our workforce and the integrity of our assets. Following the November 2022 incident and as part of our focus on continuous improvement, Tamarack has doubled down efforts to enhance our robust safety policies and ensure effective execution of the policies at every level of the organization. Through the combined efforts of our internal team’s review and a third-party assessment, Tamarack has identified action items in five key areas to be completed before the end of 2023.

As previously reported, on Saturday November 12, 2022, an explosion at a Tamarack Marten Hills location resulted in the tragic fatalities of two contractors who were working on the site. Tamarack is deeply saddened by this event and extends our deepest sympathies to the families on this tragic accident.

Tamarack has an excellent safety track record and is taking the occurrence very seriously. In addition to OH&S and regulatory investigations, Tamarack launched an independent investigation to determine causes, prevention and safety program improvements to further mitigate the risk of incidents in the future.



#### HUMAN CAPITAL:

Addition of key individuals to the safety team to act as a liaison between head office and the field and to provide added depth of resources to help manage company-wide safety policies and support our people in the field



#### POLICIES AND PROCEDURES:

Review and update our HS&E policy and corporate HS&E manual



#### AUDIT AND VERIFICATION:

Expand our current audit process to formalize internal audit procedures and to increase the frequency of audits and audit follow-ups



#### TRAINING AND COMPETENCY:

Increase training and enhance processes for ongoing competency verification and orientation of new hires



#### SAFETY CULTURE:

Promote and enhance existing safety culture through increased executive presence in field and increased safety stand downs

# ENGAGEMENT & SOCIAL IMPACT

Through proactive stakeholder communication and a commitment to vibrant communities, we are operating at the intersection of economic sustainability and corporate responsibility.



# COMMUNITY ENGAGEMENT

Tamarack's goal to be a responsible community member is reflected in our ongoing and active engagement with communities where we operate. We believe in establishing trusted and mutually beneficial relationships to ensure stakeholders are heard and understood, while looking for collaborative ways to prioritize the local economy.



## 2022 ACHIEVEMENTS



**85 partnerships** to enable vibrant communities where we operate



**>100 interactions** with community stakeholders in one day through a 2022 open house



**~10,000 hours** of employee time committed to community engagement



## COMMITMENT

*Tamarack is committed to meaningful engagement, mutual transparency and shared economic value with community partners.*

## GOALS

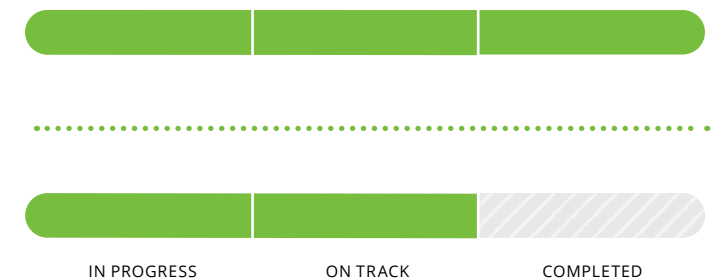
1. Increase frequency and methods of engagement with stakeholders, with a target of 50 unique stakeholder interactions and five new initiatives to facilitate interaction
2. System development for the public reporting of economic value created in communities, with clear delineation of where the value is realized to improve transparency

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### SHAPING THE FUTURE OF ENERGY: CONNECTING WITH COMMUNITIES

Community engagement is a key value at Tamarack. We strive to connect in a variety of meaningful ways in the communities where we operate. In addition to the many in person and virtual interactions with landowners and community organizations, Tamarack hosted an open house at Peavine in 2022. This open house enabled a large contingent of the Tamarack workforce to connect face to face with more than 100 individual stakeholders in the Peavine community. This opportunity not only enabled information sharing with the community about Tamarack’s operations, but also enabled Tamarack to hear directly from the group what their greatest challenges and concerns were. It also enabled connection and relationship building with that stakeholder group and amongst our employees.

Tamarack’s community engagement and consultation procedures are guided by our community consultation policy. Learn more about our board committees and the board skills matrix in our Management Information Circular.

[LEARN MORE →](#)



### SUPPORTING OUR COMMUNITIES

Tamarack strives to ensure value creation in the communities where we operate. The organization works towards the objectives of generating quality of life improvements and delivering positive economic impacts. Tamarack continues to search for new and innovative ways to interact with our community stakeholders.

*In line with our commitment to supporting our community, we’ve taken steps to assist during the holiday season. We understand that this can be a challenging time for many families, which is why we’re excited to announce the success of Tamarack’s 2022 Holiday Hamper initiative.*

*In collaboration with a social worker from Calgary and the passionate efforts of office employees Kim and Dana, our staff successfully raised over \$22,000 through internal donations. With the help of our committed staff, Tamarack was able to distribute holiday hampers to families in challenging circumstances. The hampers were packed with financial aid, thoughtful gifts and other items that brought optimism and joy to their recipients.*

*As a community-driven organization, Tamarack is delighted to see our team of talented professionals working together to create a meaningful difference in the lives of deserving families.*



**WE WANT TO HEAR FROM YOU!**

*If you are community member or other stakeholder, Tamarack wants to hear from you. Visit [this link](#) to complete a brief survey on what is important to you.*

# INDIGENOUS PARTNERSHIPS

Upholding the spirit of reconciliation, Tamarack prioritizes equality and acknowledges the unique perspectives of our Indigenous partners. We believe that inviting and involving these partners in current and prospective business opportunities can be a powerful stride towards fostering unity and mutual growth.



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## 2022 ACHIEVEMENTS



**100% participation** in Indigenous history and relations workshops (employees and board)



**12 team members** with Indigenous heritage added to the workforce



**2 partnerships** added through agreements and projects in 2022



**16 Indigenous communities** directly engaged within the course of 2022



## COMMITMENT

*Tamarack is committed to active partnerships with our Indigenous stakeholders, support for the preservation of culture and knowledge sharing to produce mutually beneficial outcomes.*

## GOALS

1. Implement a system to track and enhance spending with Indigenous business partners
2. Identify new opportunities for shared value through an additional partnership with a new Indigenous partner
3. Increase Indigenous workforce participation in our field and office workforce to 6%

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### SHAPING THE FUTURE OF ENERGY: TRUTH AND RECONCILIATION PARTNERSHIPS

At Tamarack we prioritize open and effective communication with all stakeholders. Our commitment to collaboration and respect drives our reconciliation efforts. To honor Truth and Reconciliation Day on September 30, 2022, we joined forces with Snake Snitch, an Indigenous business. Together, we supported local First Nation, Métis, and Inuit communities by wearing orange T-shirts made by Snake Snitch and raising funds for Song Writer Wendy Walker’s inspiring song “And the Child.” To deepen our understanding and demonstrate respect, we organized a meaningful blanket exercise led by esteemed elder Mary Fox and partnered with local Indigenous caterers for a memorable experience. These events facilitated honest conversations and vulnerability, shedding light on ongoing issues. At Tamarack, fostering reflection, education, and constructive dialogue between Indigenous and non-Indigenous communities is a key activity in reconciliation and will continue to be a top priority.

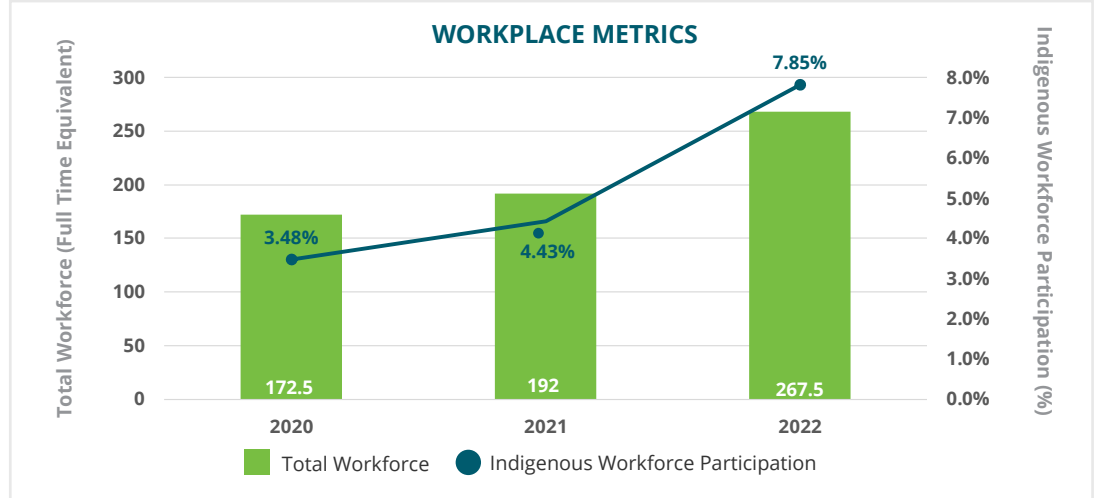


### CULTURAL PRESERVATION

Tamarack is proud supporter of Indigenous communities and the preservation of Indigenous culture. Canadian Indigenous communities are both key stakeholders in the oil and gas sector and a meaningful part of our business journey. The Company believes in the protection of Indigenous rights and acknowledges the principles of UNDRIP through investment in reconciliatory activities including cultural, education and training.

Tamarack recognizes the value of diversity and as part of a commitment to partnerships with Indigenous stakeholders, has prioritized workforce participation as a clear and measurable way to quantify engagement.

*While Tamarack has already exceeded the 2025 goal for Indigenous workforce participation in 2022, we continue to prioritize inclusion and engagement to strengthen our Indigenous workforce presence. Turnover could still impact the achievement of the year-end 2025 goal and as a result, it will be important in the coming years to ensure that we are able to retain Indigenous talent in addition to attracting talent to the organization.*



**3.48% to 7.85%** from 2020 baseline to year-end 2022.

*After joining Tamarack in 2021, Francis Erasmus, Manager, Indigenous Relations, introduced Indigenous history and relations workshops for employees. Tamarack expects to have a 100% participation in the program on an ongoing basis. Francis notes that this training is a key consideration for creating a culture of understanding to retain Indigenous employees and effectively partner with Indigenous communities.*

# OUR PEOPLE

At Tamarack, we believe our success is rooted in the dedication and hard work of our diverse team. We foster individual growth by offering educational opportunities, professional development and internal mentorship. We prioritize health, wellness and inclusivity, enhancing our corporate culture through employee engagement initiatives.



## 2022 ACHIEVEMENTS



**>50 events** for workforce engagement including education, development and social



**30% female** representation in our manager, technical and professional employee group



**13% ethnic** representation in our total workforce



**100% participation** in continuing education and training by office employees and contractors



## COMMITMENT

*Tamarack is committed to empowering our people – employees and contractors alike – through education and training opportunities, active engagement and inclusion.*

## GOALS

1. Implement training and development plans for 100% of the employees in the organization

2. Increase employee engagement by 25% over 2022 baseline evaluation

3. Implement a diversity and inclusion program aimed at education and support for underrepresented groups as well as tracking to improve transparency

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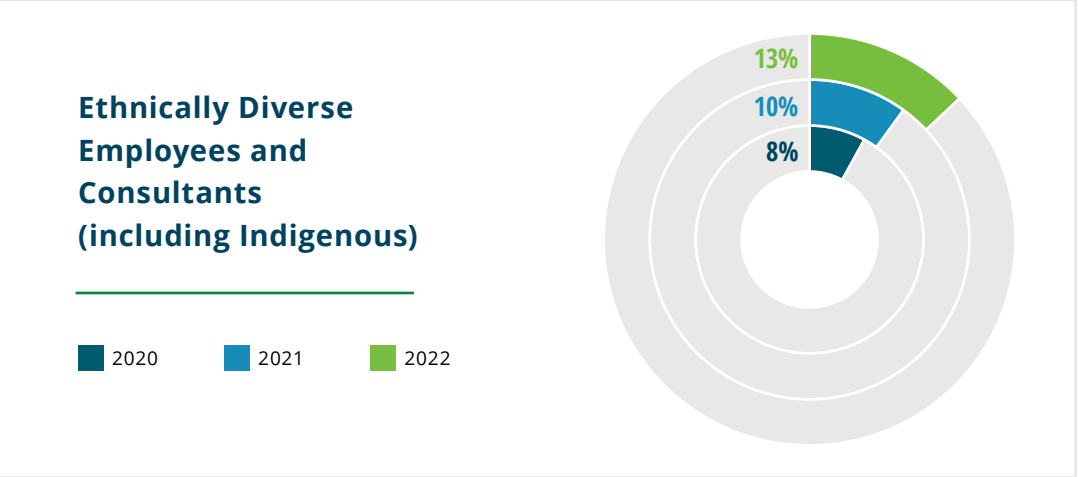
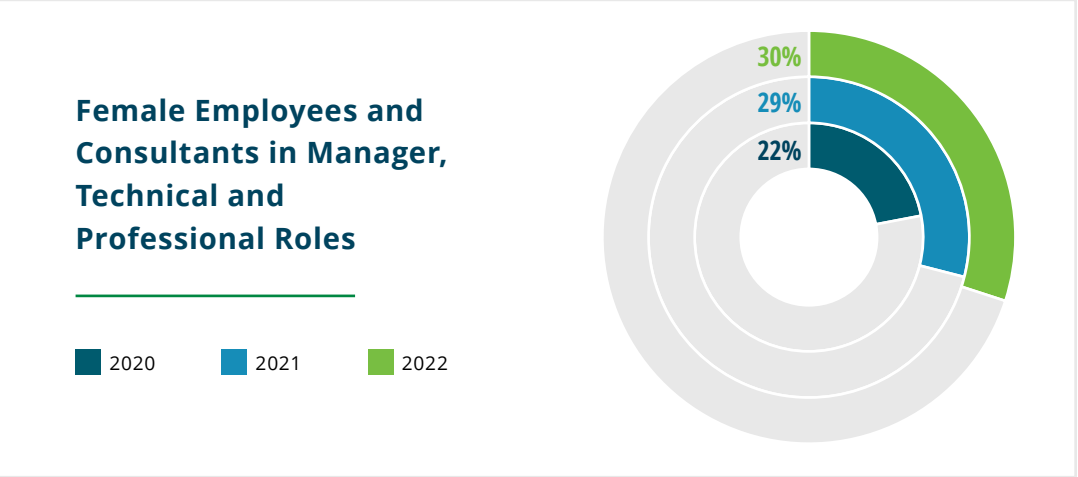


### SHAPING THE FUTURE OF ENERGY: HUMAN CAPITAL INVESTMENT

Tamarack is proud of the talent and diversity in our workforce and is dedicated to the development of human capital in the organization. To ensure the organization is well positioned to respond to our rapidly evolving marketplace and to facilitate the growth and advancement of our workforce, Tamarack has accelerated investment in human capital development across all levels of the organization. In 2022, Tamarack initiated the concept of training plans, with a goal of full execution and implementation by 2023. These role-specific and individualized plans provide transparency for employees, create employer-employee alignment and ensure a clear path for development in the organization.

In addition to training and development plans, Tamarack has created internal training and development opportunities for the entire organization including regularly scheduled lunch-and-learns and training on important topics such as our Indigenous history and relations workshops. We also continue to allocate financial resources of ~2% of base salaries to training and development opportunities outside of the organization. Together, these investments of time and capital ensure the ongoing development of human capital resources to support to long-term sustainability of the organization.

*Tamarack continues to grow and expand our student co-op programs, with expanding opportunities in both quality and quantity every year. While we are proud of the opportunities that we create for students, graduates from this program are reciprocally creating value for Tamarack. In 2022, 4% of our office employees were former co-op students who joined our team full time after graduation. Thanks to this loyal and talented group for their contributions to the company!*



*Tamarack is a proud recipient of the Globe and Mail's Women Lead Here award for female representation in our most senior levels of management.*



2023  
**REPORT ON BUSINESS**  
**WOMEN LEAD HERE**

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# ENVIRONMENTAL STEWARDSHIP

Through emissions-reduction action, land stewardship and water conservation, we are enabling the most responsible energy production for our organization and the Canadian energy sector.





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# LAND & BIODIVERSITY

Tamarack carefully manages our impact on the ecosystems and lands where we operate. Robust environmental oversight is in place across the project life cycle, from pre-site assessment to the final remediation and reclamation. Tamarack is proud of the high standards that our Canadian energy sector adheres to and of our status as an industry. We will continue to seek innovative ways to reduce environmental impact while progressing our established initiatives for land and biodiversity management.



## 2022 ACHIEVEMENTS



**>300 sites** advanced reclamation and remediation in the year



**\$11.4MM deployed** on decommissioning activities including \$3.4MM of grants



**84 wells** and >15 kms of pipelines abandoned through the year



**>200%** of the regulatory voluntary program spend achieved



## COMMITMENT

*Tamarack is committed to prudent full-cycle land management practices that minimize ecosystem impact, return sites to their original state and effectively manage inactive liabilities.*

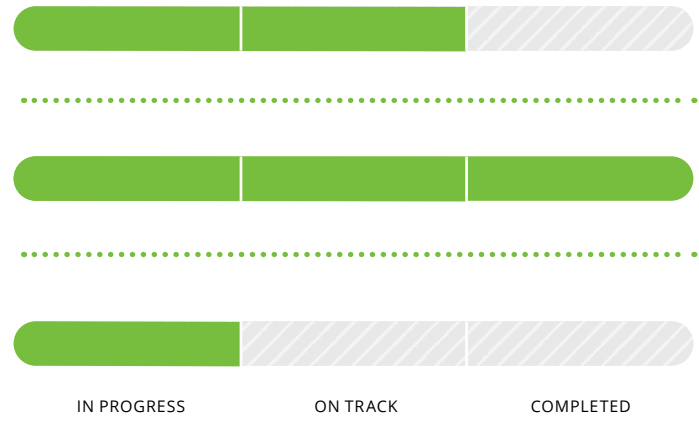
## GOALS

1. Reduce existing inactive liability profile through an ARO spend of 150% of the voluntary target set through the Alberta Energy Regulator
2. Engage in an at-risk-species rehabilitation project
3. Advance reclamation program through receipt of 50 reclamation certificates on a rolling three-year average basis

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### SHAPING THE FUTURE OF ENERGY: SPECIES-AT-RISK INVESTMENT

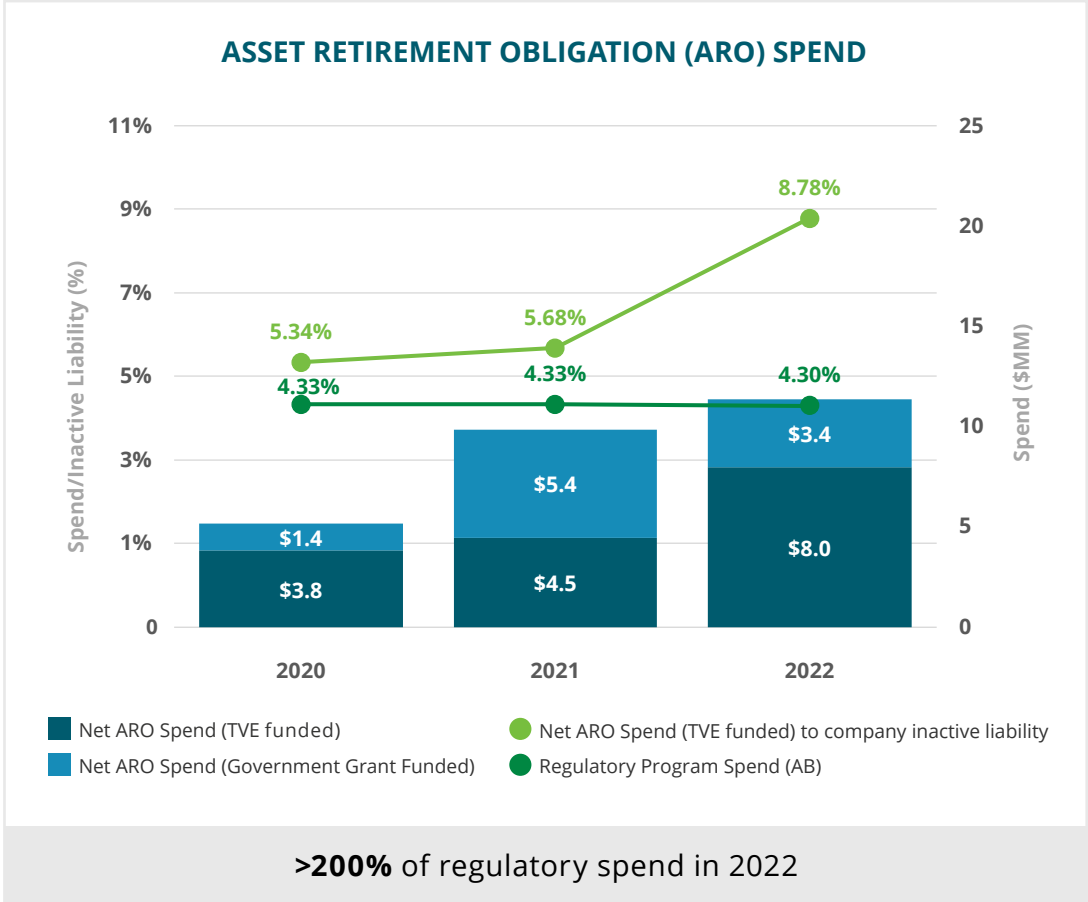
In 2020, Tamarack identified species-at-risk rehabilitation as a key area of focus and set the goal to initiate a project in an area that overlaps our operations. As our team began reviewing options for projects and programs, we quickly realized the importance of partners with the knowledge and infrastructure to effectively execute programs. In 2021 and 2022, we partnered with the Alberta Birds of Prey to support their species rehabilitation activities that include species-at-risk in the areas where we operate. Additionally in 2022, Tamarack partnered with the Wilder Institute to support larger scale species-at-risk conservation programs in the province of Alberta.

The Wilder Institute has a strong history of conservation work locally and internationally, including the recent opening of the Archibald Biodiversity Centre, their new breeding and research facility in southern Alberta. Tamarack’s investment will be geared at Alberta species-at-risk conservation projects, including the burrowing owl which is one of the species-at-risk known to overlap with Tamarack operations.

*“The contribution from Tamarack will help us expand our efforts to restore species to Alberta’s unique landscape,”* said Brandi Chuchman, Associate Director of Conservation & Science at the Wilder Institute. *“Species such as the burrowing owl are in urgent need of conservation action and this investment will enable us to protect Alberta’s precious biodiversity”.* Learn more about the Wilder Institute and their programs at [www.wilderinstitute.org](http://www.wilderinstitute.org).

### RESPONSIBLE OPERATIONS

Tamarack prioritizes effective product and fluid management through pipeline and lease spill management to minimize incidents of product leakage and spills. The Company engages in a risked approach that ensures all pipelines are appropriately monitored and tracked with more attention and mitigation applied to our highest risk areas. Our comprehensive program includes operational leak mitigation processes and cathodic protection while additional asset integrity activities include utilization of corrosion inhibitor, physical inspections, routine pigging and smart pig inspections. It also includes monitoring and education for our third-party contracting partners to ensure they uphold the same standards.



*Did you know... during remediation and reclamation, surface lease sites are returned to their original state, including original vegetation or agricultural crop. Native prairie grassland may take five to seven years of regrowth and vegetation monitoring before the site is approved for a reclamation certificate. Tamarack had approximately 200 sites at the end of 2022 where site reclamation was complete with vegetation monitoring underway.*

# WATER MANAGEMENT

Managing our water utilization and our impact on the surrounding water resources is a priority at Tamarack. Although our Canadian operations benefit from a relatively abundant water supply, we comprehend the potential risks associated with global water scarcity, an issue that's escalating worldwide. By harnessing innovative strategies to limit our freshwater consumption and recycle the water produced in our processes, we can derive both immediate and long-term benefits including cost efficiencies and a reduction in our environmental impact.



## 2022 ACHIEVEMENTS



**↑78%** increase in recycled water utilized in operations over the 2020 baseline



**4 of 5 asset** areas utilizing recycled and non-fresh water in EOR operations



**<13%** of total corporate water use is sourced from freshwater sources



**~4,000m3/well** freshwater savings through cross-linked completions in Charlie Lake



## COMMITMENT

*Tamarack is committed to operating as a responsible citizen within the required water regulations, prudently using water where required and maximizing the use of alternate non-potable water sources.*

## GOALS

1. Ensure 100% use of non-fresh water in enhanced oil recovery operations at Nipisi
2. Identify three unique initiatives to reduce forecasted freshwater consumption

## TIMELINE

2024

2023

## STATUS



IN PROGRESS      ON TRACK      COMPLETED



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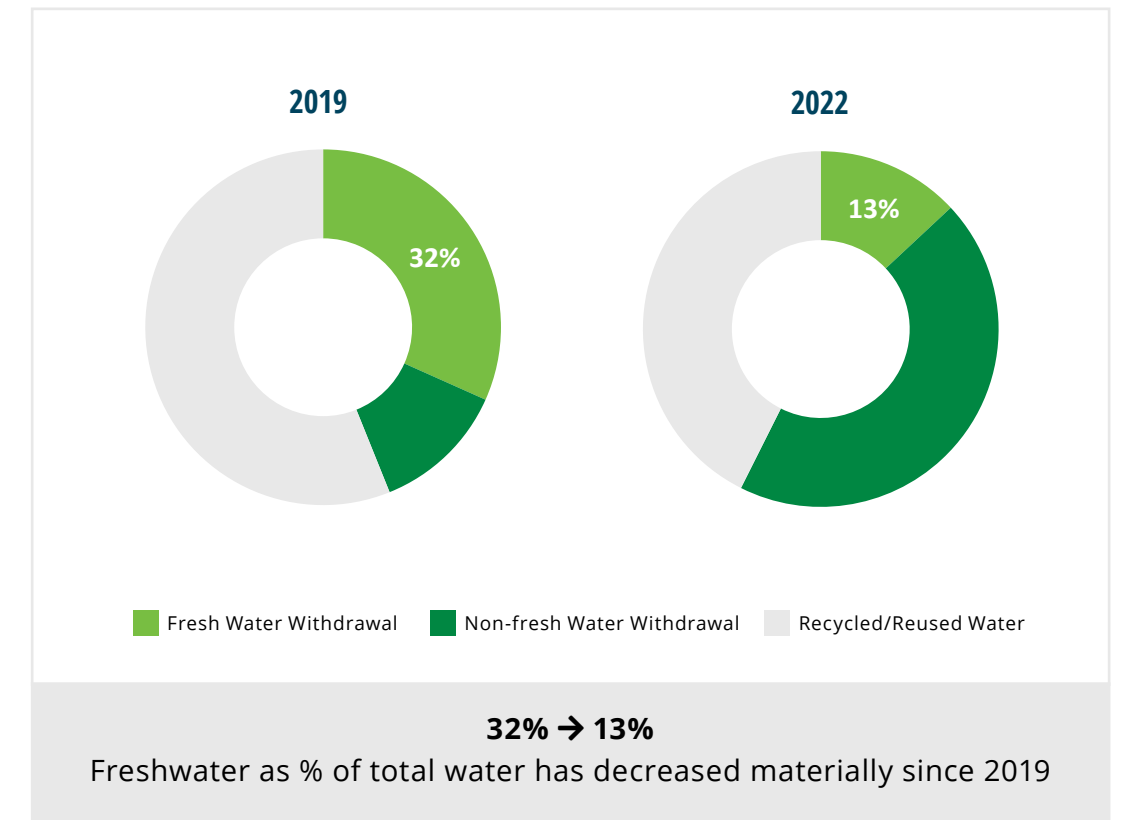
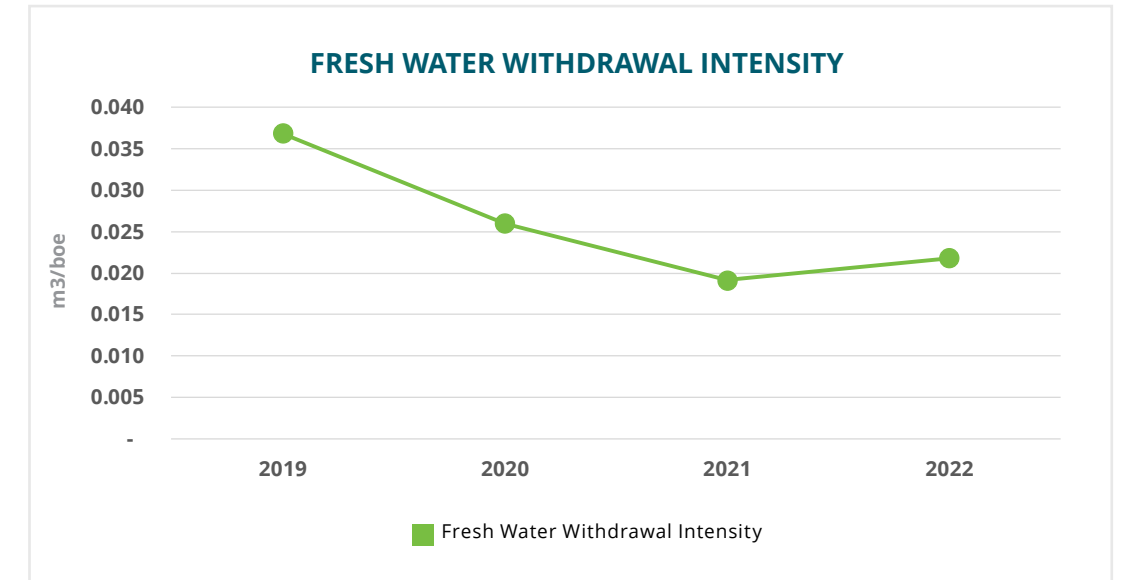


### SHAPING THE FUTURE OF ENERGY: CROSS-LINKED POLYMER COMPLETIONS

Tamarack is committed to limiting our impact on freshwater resources within Alberta through innovative ideas and strategic planning. During our hydraulic fracturing operations in the Charlie Lake, Tamarack utilizes a cross-linked polymer water system. The total fresh water used in these completion operations is about 60% when compared to alternative water systems. The cross-linked system results in better sand carrying capabilities per unit of fresh water. All of this is achieved while obtaining similar or superior well results in the asset base. This equates to a reduction of approximately 4,000 m<sup>3</sup> of fresh water per completion operation. Tamarack is committed to further minimizing freshwater use while maximizing economic return.



As Tamarack's operations have increased in size and expanded to include waterflood, our water needs have also increased. Tamarack continues to look for ways to minimize fresh-water usage in all our operations. With a significant number of new assets that utilize fresh water for operations, Tamarack is working with internal teams and external third-parties to identify creative solutions to lower total water requirements and utilize alternate non-fresh water sources.





# EMISSIONS MANAGEMENT

Tamarack operates the majority of our properties within the province of Alberta, where we adhere to some of the world's most rigorous emissions management regulations. In addition, our focus on conventional oil production facilitates a lower emission intensity compared to many non-conventional, emissions-intensive operations. Nonetheless, despite this relative benefit, we recognize the critical importance of emissions management and reduction. We are committed to exploring innovative methods to reduce energy intensities and effectively capture emissions throughout the entirety of our operational cycle.

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## 2022 ACHIEVEMENTS



**↓19%** scope 1+2 emissions intensity reduction over the 2020 baseline



**↓45%** methane emissions intensity reduction over the 2020 baseline



**~71,000 t CO<sub>2</sub>e** emissions averted in 2022 due to Nipisi gas infrastructure investments



**~43,000 t CO<sub>2</sub>e** emissions averted in 2022 in Marten Hills through gas infrastructure investments



## COMMITMENT

*Tamarack is committed to reducing greenhouse gas emissions, understanding climate change risks and providing a highly responsible, low emission energy option during the energy transition.*

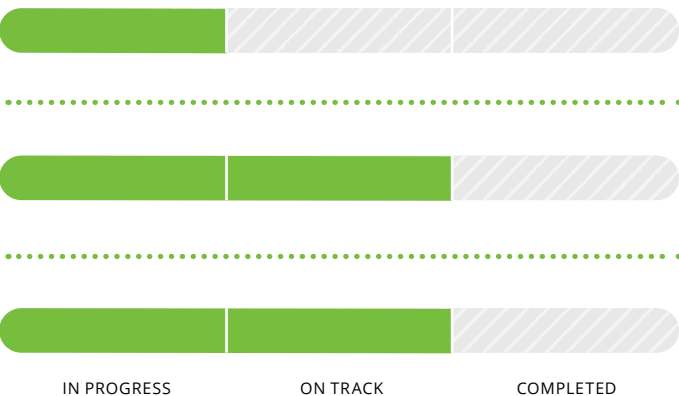
## GOALS

1. Reduce Scope 1 and 2 corporate emissions intensity by 39% over the 2020 baseline
2. Continue and complete implementation of TCFD recommended climate change risk program
3. Reduce methane specific emissions intensity by 40% over the 2020 baseline

## TIMELINE

- 2025
- 2023
- 2025

## STATUS



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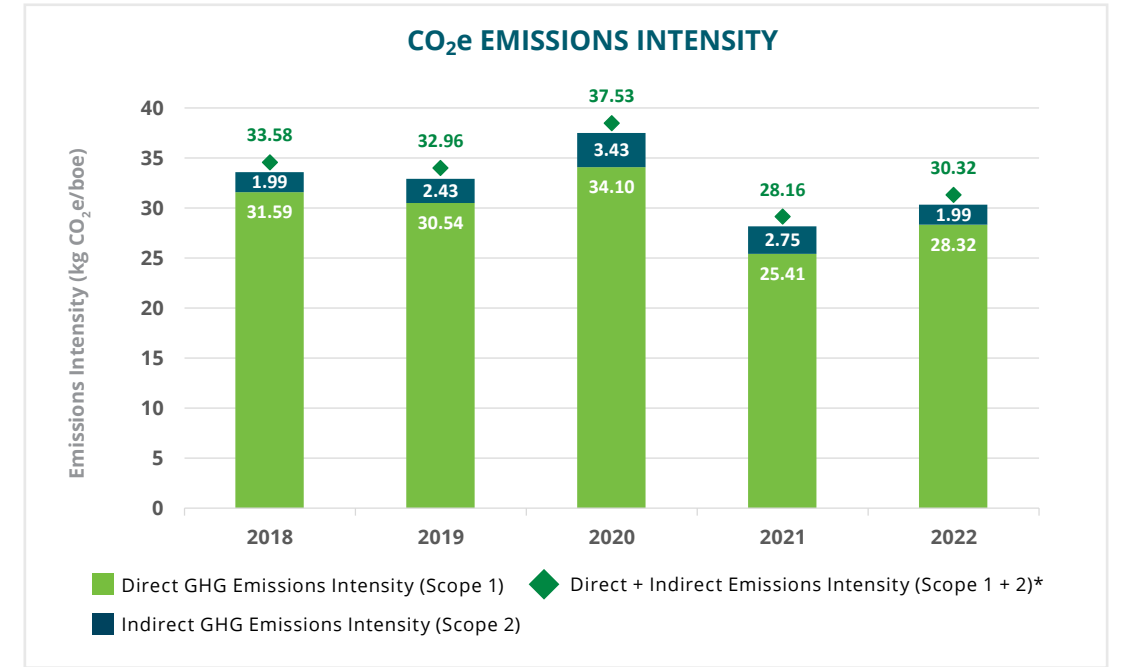
ADVISORIES



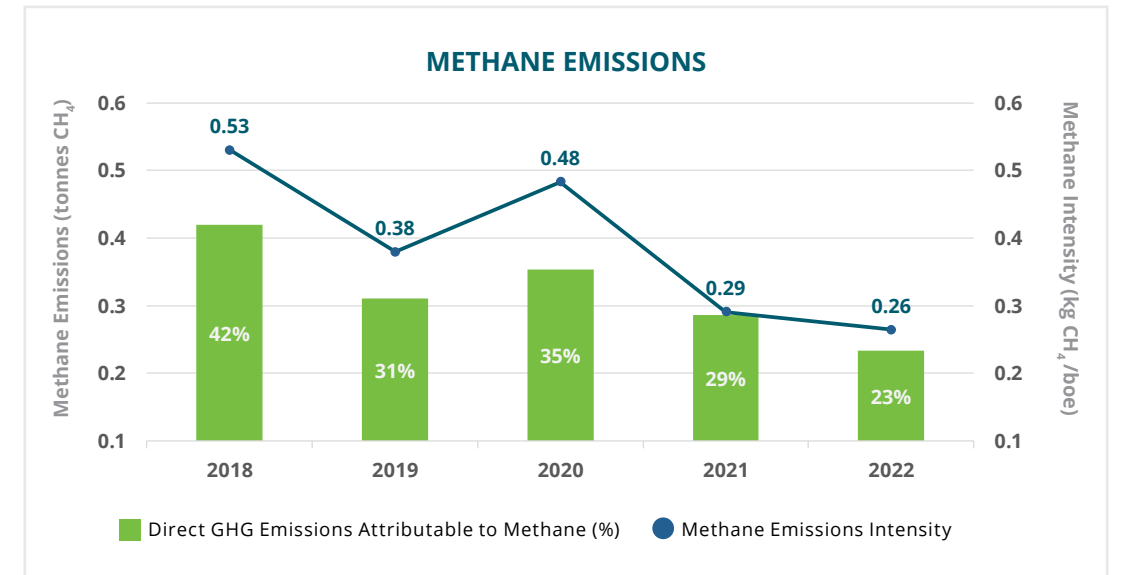
## SHAPING THE FUTURE OF ENERGY: INVESTING IN INFRASTRUCTURE

Tamarack has completed a significant scope of acquisitions in new development areas over the last three years. The Clearwater is a highly economic oil play; however, as a relatively young development area there is limited infrastructure. As a result, gas is often flared onsite due to lack of gas processing and transportation infrastructure and oil/emulsion is transported by truck due to a lack of oil pipeline infrastructure. As a consolidator, Tamarack is in a stronger economic position than the acquisition targets to prioritize the investment in large scale infrastructure to enable the most environmentally conscious operations with the lowest possible emissions. In addition, Tamarack’s operational scale and experience in the area also allows immediate emissions reductions on acquired assets through operational changes such as converting vented gas to flare.

Across 2021 and 2022, Tamarack invested ~\$20 million in Nipisi gas infrastructure. This extensive development enables the collection of solution gas to mitigate onsite flaring, reducing onsite emissions and allowing the associated natural gas to be collected for end user consumption. This project enabled approximately 71,000 tonnes CO<sub>2</sub>e of scope 1 emissions to be avoided in 2022 alone. Not only does this project enable Tamarack to conserve gas and reduce emissions, it also provides gas infrastructure for other companies in the area and enables better emissions management for the play and industry as a whole.



\* may not add due to rounding



**19% reduction** in Scope 1 + 2 intensity over 2020 baseline

*Did you know... in 2022, our emissions intensity increased over the prior year due to the significant acquisitions and development in the Clearwater area. As part of these acquisitions, Tamarack committed to investing the capital required to improve the emissions intensity of these assets and has multiple ongoing gas infrastructure projects in the West Marten Hills and South Clearwater area. Tamarack continues to work towards the ambitious goal of 22.9 kg CO<sub>2</sub>e/boe in 2025.*



# CLIMATE CHANGE RISK MANAGEMENT

In assessing ESG targets and protocols for Tamarack, our Board also includes climate change-related issues and their impact on the Company’s strategy and long-term planning, as well as in all operational decisions and future investments and developments. Our overall corporate planning and annual strategic goal-setting reflect management’s and the Board’s evaluation of the risks, broad impacts and potential opportunities for Tamarack that are inherent with climate change.

## GOVERNANCE

**Climate change risk management follows the same path of assessment and oversight as our overall ESG program:**

### **Bi-Weekly:**

ESG functional team, in concert with ESG strategic leadership input, investigates and evaluates climate related risks and opportunities.

### **Monthly:**

Senior management meets with the team to discuss and review any identified risks, opportunities and business process changes.

### **Quarterly:**

Key issues are communicated to the Board for additional discussion and review.

## RISK MANAGEMENT

In assessing key ESG factors and risks, climate change-related issues are also considered. The Company’s assessment of risk incorporates key frameworks and data sources including Tamarack’s materiality assessment, stakeholder feedback, climate change literature, industry-group participation, peer benchmarking and sustainability frameworks and in particular the recommendations of the TCFD. The identified risks guide Tamarack’s strategy and long-term planning, as well as operational decisions and future investments.

## METRICS AND TARGETS

**The organization currently uses the following metrics to assess and manage climate related risk:**

### **Payback Period & Profit Investment Ratio (PIR):**

Tamarack uses a PIR and payback period based model for decision making. With a <1.5 year payback period on most capital investments, the risk of a capital project loss due to long-term climate change impact is low.

### **Asset Location & Water Access:**

Tamarack’s assets are largely located outside of water stressed regions; however, Tamarack takes water use and access into account during decision making, carefully considers local area water stress during annual planning and innovates to lower fresh water use and increase water recycling.

### **Low Emission Capital Allocation:**

Tamarack continues to focus on low emissions intensity oil plays. The emissions intensity of a project is considered when making capital decisions. The emissions impact of acquisitions are assessed as part of the evaluation process and the appropriate capital for emissions reduction projects is incorporated into the financial modelling and valuation.

### **Scope 1 and 2 Emissions:**

Tamarack monitors and tracks both Scope 1 and 2 emissions to better understand the improvements that are required to meet regulations, minimize costs and offer a low-emissions hydrocarbon based energy option.

*The organization will continue to evaluate and refine the program to determine appropriate metrics and targets for tracking and disclosure as well as the associated financial implications.*

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	RISK	TIMEFRAME	DESCRIPTION	STRATEGIC MANAGEMENT
TRANSITION RISKS	Policy and Legal	Short-Term	Carbon pricing and provincial management programs increase operating and compliance costs.	Incorporate carbon pricing into strategic decision making and capital allocation.
		Medium-Term	Uncertainty around future government regulations related to emissions which may inhibit or change future operations.	Ensure active engagement with government and regulators to foresee and incorporate potential changes as well as advocate on behalf of industry.
	Technology	Long-Term	Improvements in technology and infrastructure enable viable substitutes, reducing demand for hydrocarbon-based energy sources, reducing revenue and stranding assets.	Focused lowering of corporate decline rates and breakeven pricing to ensure ongoing competitiveness and investment in projects with a short payback period to avoid long-term risks.
	Market	Short-Term	Decreasing consumer demand and lack of egress introduces downward pricing pressure and decreases revenues.	Invest in projects that are financially viable even in a low price environment. Work on product differentiation to improve market access.
	Reputation	Medium-Term	Increasing stakeholder concerns and negative stigmatization of the industry reduces access to capital and human resources, increasing cost of capital and decreasing the ability to attract talent.	Work with stakeholders to understand and mitigate concerns as well as have a voice in public policy making. Work to provide low emissions hydrocarbon options to attract additional capital.
PHYSICAL RISKS	Acute	Short-Term	Increased severity of extreme weather events such as flooding and fires may interrupt operations, increasing costs and decreasing revenue, and may create risk for asset integrity, decreasing corporate value. Severe weather events also increase the cost of business insurance.	Tamarack's assets are largely located in areas with low risk of acute physical risk. Where acute physical risk exists, emergency response and asset resilience planning is in place to protect the corporation and the surrounding communities.
	Chronic	Long-Term	Changes to weather patterns may limit the window for site access increasing capital project and operating costs and decreasing revenue.	Incorporate increased costs into operations and capital budgeting models and plan for shorter access opportunities. Focus on low risk assets that can be accessed in a variety of conditions.
OPPORTUNITIES	Resource Efficiency	Short-Term	Process efficiency improvements and innovations around water use and recycling help lower costs while decreasing environmental impact.	Organizational focus on innovation and continuous improvement to identify value saving opportunities.
	Energy Source	Short-Term	Utilization of the lowest emissions energy options and reduction of emissions intensity corporately can minimize exposure to increasing carbon pricing and decrease operational costs.	Emissions reductions tracking and initiatives, as well as incorporation of carbon cost into capital decision making.
	Products and Services & Markets	Medium-Term	Focus on low emission hydrocarbon development could increase demand and open up new markets, increasing revenue and improving resilience in a shifting market place.	Careful evaluation of emissions intensity in long- and short-term capital allocation decision making.

**Next steps:**

Tamarack will continue to integrate ESG factors, including climate change risk, into business processes and decisions to better inform corporate strategy. Tamarack will continue to re-evaluate the scope of metrics employed, especially related to climate change risk and the associated financial implications.

**Tamarack defines the following terms when assessing risk:**

**Short-Term:**  
Next 3 years

**Medium-Term:**  
Longer than 3 years, but less than 10 years

**Long-Term:**  
10 years or more

# COMPLETED GOALS

	UN SDG	Goal	Year Achieved
<b>EMISSIONS MANAGEMENT</b>		Reduce Scope 1 and 2 corporate emissions intensity by 25% over the 2017 baseline	2021
		Reduce methane specific emissions intensity by 60% over the 2017 baseline	2021
<b>WATER MANAGEMENT</b>		Ensure 100% use of non-fresh water in completion and enhanced oil recovery operations at Veteran	2020 & 2021
<b>LAND &amp; BIODIVERSITY PRESERVATION</b>		Reduce existing inactive liability profile through an ARO spend that exceeds the voluntary target set through the Alberta Energy Regulator's Area Based Closure (ABC) program on an annual basis	2020 & 2021
		Engage in an at-risk-species rehabilitation project	2022
<b>OUR PEOPLE</b>		Provide in-house training and education initiatives to further develop skills and industry knowledge with a 95% participation rate	2021
<b>HEALTH &amp; SAFETY</b>		20% increase in observations and mitigations over 2019 baseline to help prospective safety management	2021
		Maintain higher than an 80% formal spill hazard training completion rate as new operators are added, with an expectation of 100% participation	2021
		Increase executive presence at field level safety and operations meetings to promote the importance of safety through 20 independent executive interactions annually	2021
<b>INDIGENOUS PARTNERSHIPS</b>		Acknowledge and implement the principles of UNDRIP through investment in reconciliatory activities including cultural education and training	2021
		Identify new opportunities for shared value and potential partnerships through one additional partnership	2021
<b>COMMUNITY ENGAGEMENT</b>		Create formalized parameters for community investment	2021 & 2022
		Increase frequency and methods of engagement with stakeholders, with a target of 50 unique stakeholder interactions and five new initiatives to facilitate interaction	2022
<b>ETHICAL GOVERNANCE</b>		Increase portion of executive compensation tied to achievement of key sustainability goals through the addition of a long-term incentive target to the existing short-term targets	2021
		Increase transparency of ESG through third party assurance of reporting	2022

# ASSURANCE LETTER



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## INDEPENDENT PRACTITIONER'S LIMITED ASSURANCE REPORT

To the management of Tamarack Valley Energy Ltd.

We have undertaken a limited assurance engagement on certain key performance indicators of Tamarack Valley Energy Ltd. ("the Entity"), included in the accompanying 2023 Sustainability Report (the "Report") and as described below, as at and for the year ended December 31, 2022.

### Subject matter information and applicable criteria

The scope of our limited assurance engagement, as agreed with management, comprises the following performance information (collectively, the "subject matter information"):

Subject Matter Information	Results	Applicable Criteria
Net ARO Spend (Entity funded)	\$7.976 million CAD	Internally developed criteria
Percentage of ARO Spending	204%	Internally developed criteria
Indigenous Workforce Participation	7.85%	Internally developed criteria
Scope 1 Greenhouse Gas Emissions	499,152 tonnes CO <sub>2</sub> e	The World Resources Institute/World Business Council for Sustainable Development GHG Protocol – A Corporate Accounting and Reporting Standard ("GHG Protocol")
Scope 2 Greenhouse Gas Emissions	35,128 tonnes CO <sub>2</sub> e	GHG Protocol & GHG Protocol Scope 2 Guidance ( <i>Supplement to the GHG Protocol</i> )
Scope 1 & Scope 2 Greenhouse Gas Emissions Intensity	30.32 kg CO <sub>2</sub> e/boe	GHG Protocol & Internally developed criteria
Methane Emissions	4,664 tonnes	GHG Protocol

Other than as described in the preceding paragraph, we did not perform assurance procedures on the remaining information included in the Report, and accordingly, we do not express a conclusion on this information.

KPMG LLP, an Ontario limited liability partnership and member firm of the KPMG global organization of independent member firms affiliated with KPMG International Limited, a private English company limited by guarantee. KPMG Canada provides services to KPMG LLP.



### Management's Responsibilities

Management is responsible for the preparation and presentation of the subject matter information in accordance with the applicable criteria.

There are no mandatory requirements for the preparation or presentation of key performance indicators included in the Report. As such, the Entity applies the applicable criteria, including its own internal reporting guidelines and definitions for sustainability reporting, which is presented in the footnotes on page 33 of the Report. Management is responsible for the development of such criteria.

Management is responsible for determining the appropriateness of the use of the applicable criteria.

Management is also responsible for determining the Entity's objectives in respect of sustainability performance and reporting, including the identification of stakeholders and material issues.

Management is also responsible for such internal control as management determines necessary to enable the preparation and presentation of the subject matter information that is free from material misstatement, whether due to fraud or error.

### Practitioner's Responsibilities

Our responsibility is to express a limited assurance conclusion on the subject matter information based on evidence we have obtained. We conducted our limited assurance engagement in accordance with International Standards on Assurance Engagements (ISAE) 3000, *Attestation Engagements Other than Audits or Reviews of Historical Financial Information* and ISAE 3410, *Assurance Engagements on Greenhouse Gas Statements*, issued by the International Auditing and Assurance Standards Board. These standards require that we plan and perform our engagement to obtain limited assurance about whether based on the procedures performed and evidence obtained, any matter(s) has come to our attention to cause us to believe that the subject matter information is materially misstated.

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. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed. Accordingly, it is not a guarantee that a limited assurance engagement conducted in accordance with this standard will always detect a matter that causes the practitioner to believe that the subject matter information is materially misstated.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of users of our report.

The nature, timing and extent of procedures performed depends on our professional judgment, including an assessment of the risks of material misstatement, whether due to fraud or error, and involves obtaining evidence about the subject matter information.

Our engagement included: assessing the appropriateness of the underlying subject matter, the suitability of the criteria used by the Entity in preparing the subject matter information in the circumstances of the engagement and evaluating the appropriateness of the: methods, policies and procedures, and models used in the preparation of subject matter information and the reasonableness of estimates made by the Entity.



Our engagement included, amongst others, the following procedures:

- Inquiries of management to gain an understanding of the Entity's processes for identifying relevant transactions and preparing the subject matter information;
- Inquiries with relevant staff to understand the data collection and reporting processes for the subject matter information;
- Interviews with relevant staff at the corporate and business unit level responsible for providing the information;
- Where relevant, performing walkthroughs of data collection and reporting processes for the subject matter information;
- Assessment of the suitability and application of the criteria in respect of the subject matter information;
- Comparing a sample of the reported data for the subject matter information to underlying data sources;
- Completion of a site tour of the Meanook oil battery facility, including walkthroughs of data collection and reporting processes, and interviews with senior management and relevant staff;
- Inquiries of management regarding key assumptions and, where relevant, the re-performance of calculations on a sample basis; and,
- Reviewing the subject matter information presented in the Report to determine whether it is consistent with our overall knowledge of, and experience with, the sustainability performance of the Entity.

The engagement was conducted by a multidisciplinary team which included professionals with suitable skills and experience in both assurance and in the applicable subject matter, including environmental, social and governance aspects.

**Practitioner's Independence and Quality Management**

We have complied with 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**

Historical non-financial information, such as that contained in the Report, is subject to more inherent limitations than historical financial information, given the qualitative characteristics of the underlying subject matter and methods used for determining this information. The absence of a significant body of established practice on which to draw allows for the selection of different but acceptable evaluation techniques, which can result in materially different measurements and can impact comparability. The nature and methods used to determine such information, as described in the applicable criteria, may change over time, and it is important to read the Entity's reporting methodology available in the footnotes on page 33 of the Report.



**Emphasis of Matter**

We draw attention to the methodology for calculating emissions intensity available in the footnotes on page 33 of the Report. As described in the footnotes to the Report, Scope 1 and 2 emissions are determined using the operational control approach to consolidation and annual production is determined using a method consistent with the Entity's financial statement disclosure which utilizes accrual based net working interest production sales. Differences in consolidation approach between the numerator and the denominator can lead to changes in reported intensities between periods for reasons other than improvements or deteriorations in emissions per barrel of oil equivalent at the operational level. As a result, it is important to be aware of this element of the methodology when reading the related emissions intensity.

Our conclusion is not modified in respect of this matter.

**Conclusion**

Our conclusion has been formed on the basis of, and is subject to, the matters outlined in this report. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion. Based on the procedures performed and evidence obtained, no matters have come to our attention to cause us to believe that the Entity's subject matter information for the year ended December 31, 2022, is not prepared and presented, in all material respects, in accordance with the applicable criteria.

**Specific Purpose of Subject Matter Information**

The subject matter information has been prepared in accordance with the applicable criteria and as a result may not be suitable for another purpose.

*KPMG LLP*

Chartered Professional Accountants

Calgary, Canada  
June 29, 2023

# DATA & REFERENCES

EMISSIONS	UNITS	2020	2021	2022
<b>Production, Annual Average<sup>(1)</sup></b>	boe/d	22,027	34,562	48,283
<b>Annual Average Liquid Weighting<sup>(2)</sup></b>	%	60.33	68.55	76.80
<b>Direct Energy Consumption<sup>(3)</sup></b>	GJ	3,100,165	3,395,793	4,220,439
<b>Direct Consumption Intensity</b>	GJ/boe	0.39	0.27	0.24
<b>Indirect Energy Consumption<sup>(4)</sup></b>	GJ	174,079	219,169	247,961
<b>Direct GHG Emissions (Scope 1) Total<sup>(5),(6),(7)</sup></b>	tCO <sub>2</sub> e	274,173	320,536	499,152
Direct GHG Emissions (Scope 1) from Flared	tCO <sub>2</sub> e	8,342	50,875	174,341
Direct GHG Emissions (Scope 1) from Combustion	tCO <sub>2</sub> e	189,580	196,543	238,560
Direct GHG Emissions (Scope 1) from Process	tCO <sub>2</sub> e	-	-	-
Direct GHG Emissions (Scope 1) from Vented	tCO <sub>2</sub> e	69,143	70,323	80,509
Direct GHG Emissions (Scope 1) from Fugitive	tCO <sub>2</sub> e	7,108	2,795	5,742
<b>Direct GHG Emissions Attributable to Methane</b>	%	35%	29%	23%
<b>Direct GHG Emissions intensity (Scope 1)<sup>(8)</sup></b>	kgCO <sub>2</sub> e/boe	34.10	25.41	28.32
<b>Indirect GHG Emissions (Scope 2)<sup>(7),(9)</sup></b>	tCO <sub>2</sub> e	27,562	34,702	35,128
<b>Indirect GHG Emissions intensity (Scope 2)<sup>(8),(9)</sup></b>	kgCO <sub>2</sub> e/boe	3.43	2.75	1.99
<b>Direct + Indirect Emissions (Scope 1 + 2)</b>	tCO <sub>2</sub> e	301,736	355,238	534,280
<b>Direct + Indirect Emissions Intensity (Scope 1 + 2)<sup>(7),(8)</sup></b>	kgCO <sub>2</sub> e/boe	37.53	28.16	30.32
<b>Total Gas Flared</b>	10 <sup>3</sup> m <sup>3</sup>	3,294	19,962	68,346
<b>Total Gas Vented</b>	10 <sup>3</sup> m <sup>3</sup>	5,262	5,215	5,716
<b>Methane<sup>(7),(10)</sup></b>	tonne	3,883	3,667	4,664
<b>Methane Emissions Intensity</b>	kgCH <sub>4</sub> /boe	0.48	0.29	0.26
<b>NOx Emissions (excluding N<sub>2</sub>O)<sup>(11)</sup></b>	tonne	1,033	1,402	1,884
<b>SOx Emissions<sup>(11)</sup></b>	tonne	-	-	0.69
<b>VOC Emissions<sup>(11),(12)</sup></b>	tonne	57.98	461.95	1,612.00
<b>CO Emissions<sup>(11)</sup></b>	tonne	1,297.00	1,997.80	2,960.00
<b>PM<sub>10</sub> Emissions<sup>(11)</sup></b>	tonne	6.14	74.74	184.39

WATER	UNITS	2020	2021	2022
<b>Fresh Water Withdrawal</b> <sup>(13),(14),(15)</sup>	m <sup>3</sup>	207,953	241,706	386,114
<b>Fresh Water Withdrawal Intensity</b>	m <sup>3</sup> /boe	0.026	0.019	0.022
<b>Non-fresh Water Withdrawal</b>	m <sup>3</sup>	658,073	979,128	1,306,043
<b>Non-fresh Water Withdrawal Intensity</b>	m <sup>3</sup> /boe	0.082	0.078	0.074
<b>Produced Water Withdrawals</b>	m <sup>3</sup>	1,479,634	2,203,160	2,663,456
<b>Total Water Consumption</b>	m <sup>3</sup>	1,568,958	2,323,532	2,946,263
<b>Recycled/Reused Water</b>	m <sup>3</sup>	702,932	1,102,698	1,254,106

LAND MANAGEMENT	UNITS	2020	2021	2022
<b>Number of operated producing wells - Gross</b> <sup>(16)</sup>	wells	2,000	2,144	2,266
<b>Number of operated inactive wells - Gross</b> <sup>(17)</sup>	wells	959	988	882
<b>Number of operated abandoned wells - Gross</b> <sup>(18)</sup>	wells	418	543	643
<b>Number of well abandonments - Gross</b>	wells	101	85	84
<b>Number of well abandonments - Net</b>	wells	78.0	83.5	82.4
<b>Active reclamation sites</b>	sites	216	385	318
<b>Reclamation certificates received</b> <sup>(19)</sup>	count	18	18	18
<b>Regulatory Program Spend (AB)</b> <sup>(20)</sup>	%	4.33	4.33	4.30
<b>Regulatory Program Spend Requirements</b> <sup>(21)</sup>	\$ CAD	\$3,102,885	\$3,404,562	\$3,908,786
<b>Net ARO Spend (TVE Funded)</b> <sup>(22)</sup>	\$ CAD	\$3,825,000	\$4,466,000	\$7,976,000
<b>Net ARO Spend (Government Grant Funded)</b>	\$ CAD	\$1,350,000	\$5,365,000	\$3,377,000
<b>Total Net ARO spend</b> <sup>(23)</sup>	\$ CAD	\$5,175,000	\$9,831,000	\$11,353,000
<b>Percentage of ARO Spending</b> <sup>(21),(22)</sup>	%	123	131	204
<b>Net ARO spend (TVE funded) to company inactive liability</b>	%	5.34	5.68	8.78
<b>Net ARO spend (TVE + Government funded) to company inactive liability</b>	%	7.22	12.50	12.49

SPILL MANAGEMENT	UNITS	2020	2021	2022
Reportable Spills (excluding pipeline spills) <sup>(24),(25)</sup>	Count	4	7	7
Reportable Pipeline Spills <sup>(25),(26)</sup>	Count	2	2	3
Pipeline Incident Ratio (incidents per 1000 km operating & permitted length)	Count/1000km	0.87	0.77	1.13
Volume of Reportable Non-Pipeline spills <sup>(24),(25)</sup>	m <sup>3</sup>	24.4	49.3	40.5
Volume of Pipeline Spills <sup>(25),(26)</sup>	m <sup>3</sup>	0.3	1.7	32.6
Volume of Reportable Non-Pipeline Spills per million BOE produced	m <sup>3</sup> /MMboe	3.03	3.91	2.30
Volume of Pipeline Spills per million BOE produced	m <sup>3</sup> /MMboe	0.04	0.13	1.85

HEALTH & SAEFTY	UNITS	2020	2021	2022
Total Injuries	Count	5	7	15
Lost-time Accidents	Count	-	2	1
Medical Aid	Count	4	4	6
Modified Duties	Count	1	1	6
First Aid	Count	5	4	15
Lost-time Recordable Injury Frequency - Employee and Contractor <sup>(27)</sup>	Count * 200,000 hrs/Total hrs	0.00	0.24	0.29
Total Recordable Injury Frequency - Employee and Contractor <sup>(28)</sup>	Count * 200,000 hrs/Total hrs	0.91	0.95	0.86
Fatalities (Employees and Contractors)	Count	0	0	2
Total Internal Inspections Completed	Count	1,021	1,082	927

COMMUNITY AND INDIGENOUS	UNITS	2020	2021	2022
Indigenous Stakeholders/Counties	Count	59	68	82
Community Direct Investment	\$ CAD	\$200,533	\$253,455	\$413,095
Contributions by Employees and Consultants	%	6.7%	5.5%	8.3%
Dollar Donated/1000 Operating Netback	\$ CAD	\$1.40	\$0.67	\$0.47
Proved Reserves In or Near Areas of Conflict	%	0%	0%	0%
Probable Reserves In or Near Areas of Conflict	%	0%	0%	0%
Proved Reserves On or Near Indigenous Land	%	8%	18%	37%
Probable Reserves On or Near Indigenous Land	%	2%	19%	38%



WORKFORCE	UNITS	2020	2021	2022
<b>Total Workforce<sup>(29)</sup></b>	FTE	172.5	192.0	267.5
<b>Total Employees &amp; Office Consultants<sup>(29),(30)</sup></b>	FTE	66.5	85.0	121.5
<b>Field (Permanent)<sup>(29)</sup></b>	FTE	7.0	8.0	10.0
<b>Office (Permanent)<sup>(29)</sup></b>	FTE	44.0	66.5	97.5
<b>Field (Contractor and Temporary)<sup>(29)</sup></b>	FTE	106.0	107.0	146.0
<b>Office (Consultants and Temporary)<sup>(29),(30)</sup></b>	FTE	15.5	10.5	14.0
<b>Voluntary Turnover<sup>(31)</sup></b>	%	4.0%	3.1%	7.6%
<b>Involuntary Turnover</b>	%	2.0%	0.0%	4.4%
<b>Female Employees &amp; Office Consultants</b>	%	41%	39%	40%
<b>Male Employees &amp; Office Consultants</b>	%	59%	60%	59%
<b>Non-binary Employees &amp; Office Consultants</b>	%	-	1%	1%
<b>Female Supervisory &amp; Professional Positions</b>	%	25%	33%	33%
<b>Female Management &amp; Executive Team</b>	%	10%	18%	23%
<b>Female Board of Directors</b>	%	14%	14%	29%
<b>Ethnic Diversity (Total Workforce)</b>	%	8.1%	9.6%	13.1%
<b>Indigenous Workforce Participation (Total Workforce)<sup>(22),(32)</sup></b>	%	3.48%	4.43%	7.85%
<b>Indigenous Representation (Total Workforce)</b>	Count	6.0	8.5	21.0
<b>Employees Under 30</b>	%	14%	10%	7%
<b>Employees 30-50</b>	%	59%	62%	67%
<b>Employees Over 50</b>	%	27%	28%	26%

(1) Annual average production is consistent with net annual sales volumes reported as part of Tamarack's annual audited financial statements.

(2) Liquid weighting is total heavy, medium and light oil, condensate and natural gas liquids production volumes divided by annual average production volumes.

(3) Energy consumed during operations including produced and purchased fuel, including: propane and natural gas; includes fuel consumed for electricity generation on-site but excludes purchased electricity

(4) Energy consumed from purchased electricity

(5) Tamarack utilizes the GHG protocol "operational control" consolidation approach to determine the scope of emissions. Emissions from both corporate and asset acquisitions(dispositions) are included(excluded) from acquisition close which differs from provincial emissions programs.

(6) Direct emissions include stationary combustion, flaring, venting and fugitive emissions sources from all six gases identified in the Kyoto protocol; Global warming potential values are as per the Greenhouse Gas Protocol Fourth Assessment Report; all source data is from measured or engineering estimate sources compliant with the Alberta and Saskatchewan regulations.

(7) KPMG LLP acted as limited assurance provider for emissions and emissions intensity metrics for 2021 and 2022 and for methane emissions in 2022. A copy of the assurance report is available on the website: [KPMG2021](#) and [KPMG2022](#). Brightspot Climate Inc. acted as limited assurance provider for 2020 emissions metrics. A copy of the assurance report is available on the website: [Brightspot2020](#).

(8) Many oil and gas companies display intensity in a tCO<sub>2</sub>e/boe metric. Tamarack believes these units produce numbers that are too small for meaningful comparison and utilizes a kgCO<sub>2</sub>e/boe metric. To convert the Tamarack number to tCO<sub>2</sub>e/boe for comparison, divided the Tamarack number by 1,000. In addition, the methodology for emissions calculations and intensity denominator may differ significantly from company to company and may not be directly comparable.

(9) Tamarack uses Alberta electricity grid average generation intensity of 0.51 tCO<sub>2</sub>e/mwh from the National Inventory Report – Annex 13 – Electricity Intensity by Province to convert power usage to emissions for both Alberta and Saskatchewan Consumption.

(10) Methane is calculated in alignment with the Greenhouse Gas Protocol Fourth Assessment Report for direct emissions and includes any methane released in operations including stationary combustion, flaring, venting and fugitive emissions sources from methane (CH<sub>4</sub>) as defined in the Kyoto protocol; all source data is from measured or engineering estimate sources compliant with the Alberta and Saskatchewan regulations.

(11) Prior to 2021, Tamarack disclosed air emissions in line with NPRI threshold reporting methodologies. For 2021 and 2022, Tamarack has included all NO<sub>x</sub>, SO<sub>x</sub>, VOC, CO, and PM emissions. Tamarack believes this new methodology is more representative of actual operational impacts.

(12) NPRI threshold reporting methodologies apply only to stack emissions; however, Tamarack has included VOC emissions from all sources for 2021 and 2022 to represent total VOC emissions more accurately.

(13) Fresh water, for the purposes of this report, is defined as having a total dissolved solids content of equal to or less than 4,000mg/L as established by the Alberta Government.

(14) Tamarack conducts minimal operations in regions where water stress is identified as high or extremely high. The withdrawal of fresh water from any regions where the water stress is identified as high or extremely high is only during drilling and cementing through the base ground water protection for the safety of water consumed in the area. In 2022, the volume of fresh water withdrawn from areas with seasonally high or extremely high water stress was estimated to be ~10,250m<sup>3</sup> or <2.6% of the total fresh water withdrawals and <0.6% total water consumption. Tamarack adopts capital and operating plans that account for local seasonal water stress to ensure that fresh water withdrawal does not coincide with periods of necessity for communities and other water dependent industries such as agriculture.

(15) All fresh water withdrawn is consumed in operations, therefore freshwater consumption is equal to freshwater withdrawn in all periods.

(16) The reported numbers will differ from those reported in the AIF; this report includes water wells in the count.

(17) Inactive wells include wells with a status of standing, suspended or downhole abandoned (not cut and capped).

(18) Abandoned wells are cut and capped and ready for, or actively engaged in, reclamation (zonal or downhole abandonments are excluded).

(19) To receive full reclamation certification, site vegetation studies must be completed which are highly dependent on external factors including weather and the availability of seed. Tamarack has a large inventory of sites that have all remediation and reclamation work, except the final vegetation stage, completed.

(20) Regulatory Program Spend Requirements are established by the Alberta Energy Regulator (AER). Saskatchewan did not have a program for establishing annual spend targets in 2020-2022. Spend targets are established by the AER in Q3 of the prior year using the corporate inactive liability at that moment in time. Inactive liabilities may fluctuate from time to time based on well and capital activity, acquisitions and dispositions. The required regulatory spend is calculated by multiplying the spend percentage stipulated by the AER by the year-end inactive liabilities in Saskatchewan and adding the fixed dollar amount stipulated by the AER for Alberta spend.

(21) Percentage of ARO Spending is calculated as Net ARO Spend (TVE Funded) divided by Regulatory Program Spend Requirements.

(22) KPMG LLP acted as limited assurance provider for 2020, 2021 and 2022 Indigenous Workforce Participation, Net ARO Spend (TVE Funded) and Percentage of ARO Spending metrics. A copy of the assurance report is available on the website: [Brightspot2020](#), [KPMG2021](#) and [KPMG2022](#).

(23) Net ARO Spend (TVE Funded) is defined as the aggregate dollar amount that Tamarack has expended on abandonment, remediation and reclamation activities in order to reduce ARO liabilities in all jurisdictions, excluding amount funded by or through grants or other incentives provided by government authorities. Spend includes invoiced and accrued amounts based on estimates from the field for work completed up to year-end. Tamarack had historically reported net ARO spend as the sum of government and Tamarack funded amounts with the breakdown footnoted prior to 2021 data. To improve transparency and align with the needs of stakeholders, these amounts are broken out and the performance target tied only to Tamarack internally funded spending.

(24) Reportable spills (non-pipeline) include any spill volume off lease and any volume on lease greater than or equal to 2m<sup>3</sup>.

(25) Tamarack's operations are all on shore; no spills impacted shorelines or the arctic.

(26) All pipeline spills must be reported regardless of volume.

(27) Lost-time recordable injury frequency is calculated based on actual recorded lost-time incidents x 200,000 person hours / total corporate hours; total corporate hours are calculated based on the Canadian Association of Petroleum Producers guide for Health and Safety Performance Metrics.

(28) Total recordable injury frequency excludes first aid injuries and is calculated based on actual total recorded incidents (lost-time, medical aid and modified duties) x 200,000 person hours / total corporate hours; total corporate hours are calculated based on the Canadian Association of Petroleum Producers guide for Health and Safety Performance Metrics.

(29) Tamarack adjusted the unit measure from count to full time equivalency (FTE) in 2021. Workforce participants may be counted as 0.5 (<30 hours/week) or 1 (>30 hours/week) depending on the hours worked; it includes employees on leave unless it is deemed that the individual will not return to work. Contractors and consultants are included where they have a contract directly with Tamarack. Workforce excludes members of the board of directors.

(30) Some workforce numbers for 2020 changed from the original report due to the change from count to FTE. Previously reported 2020 numbers were: Total Employees & Office Consultants (67); and Office Consultants and Temporary (16).

(31) Voluntary turnover pertains only to permanent employees and is comprised of: one 30-50 male, and one over 50 male (2020); two retirements of over 50 males (2021); and four 30-50 males, two 30-50 females and one retirement of an over 50 male (2022).

(32) Indigenous Workforce Participation is calculated as FTE workforce members who self-identify as Indigenous divided by the FTE of total workforce members, all as at the last day of the respective year. This calculation relies on internally generated criteria and on definitions captured in Tamarack's Sustainability-Linked Lending agreements and Sustainability-Linked Note indenture.

# REFERENCES TO STANDARDS

## SASB REFERENCES

Framework	Reference	Explanation	Page
SASB	EM-EP-110a.1	Gross global Scope 1 emissions, % CH <sub>4</sub> , % covered under emissions limiting regulations	24, 30
SASB	EM-EP-110a.2	Amount of gross global Scope 1 emissions from: (1) flared (2) combustion (3) process (4) vented (5) fugitive	30
SASB	EM-EP-110a.3	Discussion of long-term and short-term strategy or plan to manage Scope 1 emissions, emissions reduction targets, and an analysis of performance against those targets	23-26
SASB	EM-EP-120a.1	Air emissions of the following pollutants: (1) NO <sub>x</sub> (excluding N <sub>2</sub> O) (2) SO <sub>x</sub> (3) VOCs and (4) PM	30
SASB	EM-EP-140a.1	(1) Total fresh water withdrawn (2) total fresh water consumed, % of regions with high or extremely high baseline stress	22, 31
SASB	EM-EP-160a.1	Description of environmental management policies and practices for active sites	19-20
SASB	EM-EP-160a.2	Number and aggregate volume of pipeline spills, volume in arctic, volume impacting shorelines and volume recovered	32
SASB	EM-EP-210a.1	% of (1) proved and (2) probable reserves in or near areas of conflict	32
SASB	EM-EP-210a.2	% of (1) proved and (2) probable reserves in or near Indigenous land	32
SASB	EM-EP-210a.3	Discussion of engagement processes and due diligence practices with respect to human rights, Indigenous rights and operation in areas of conflict	Code of Conduct
SASB	EM-EP-210b.1	Discussion of process to manage risks and opportunities associated with community rights and interests	Consultation policy
SASB	EM-EP-320a.2	Discussion of management systems used to integrate a culture of safety throughout the exploration and production life cycle	9, 10
SASB	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	25, 26
SASB	EM-EP-510a.2	Description of the management system for prevention of corruption and bribery throughout the value chain	Code of Conduct
SASB	EM-EP-530a.1	Discussion of corporate positions related to government regulations and/or policy proposals that address environmental and social factors affecting the industry	25, 26

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## TCFD REFERENCES

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TCFD	Governance (b)	Management's role	25
TCFD	Strategy (a)	Identification of risks and opportunities	26
TCFD	Strategy (b)	Impact of risks and opportunities	26
TCFD	Risk Management (a)	Risk identification and assessment process	25
TCFD	Metrics and Targets (a)	Metrics	25
TCFD	Metrics and Targets (b)	GHG emissions	25, 30
TCFD	Metrics and Targets (c)	Targets and performance	25

## GRI REFERENCES

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GRI	102-1	Name of the organization	3
GRI	102-2	Activities, brands, products, and services	4
GRI	102-3	Location of headquarters	42
GRI	102-4	Location of operations	4
GRI	102-14	Statement from senior decision-maker	3
GRI	102-15	Key impacts, risks, and opportunities	26
GRI	102-16	Values, principles, standards, and norms of behavior	5, Code of Conduct
GRI	102-17	Mechanisms for advice and concerns about ethics	Whistle Blower Policy
GRI	102-18	Governance structure	5, 7, 8, Information Circular
GRI	102-19	Delegating authority	5, 25, Information Circular
GRI	102-20	Executive level responsibility for economic, environmental, and social topics	5, 25, Information Circular
GRI	102-22	Composition of the highest governance body and its committees	Information Circular
GRI	102-23	Chair of the highest governance body	42, Information Circular
GRI	102-25	Conflicts of interest	Information Circular
GRI	102-26	Role of highest governance body in setting purpose, values, and strategy	5
GRI	102-29	Identifying and managing economic, environmental, and social impacts	5, 7, 8, 25
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GRI	102-36	Process for determining remuneration	Information Circular
GRI	102-40	List of stakeholder groups	N/A
GRI	102-41	Collective bargaining agreements	33
GRI	102-45	Entities included in the consolidated financial statements	MD&A and Financial Statements
GRI	102-46	Defining report content and topic boundaries	2-3
GRI	102-47	List of material topics	N/A
GRI	102-48	Restatements of information	N/A
GRI	102-49	Changes in reporting	N/A
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GRI	305-2	Energy indirect (Scope 2) GHG emissions	24, 30
GRI	305-4	GHG emissions intensity	24, 30
GRI	305-7	Nitrogen oxides (NOx ), sulfur oxides (SOx ), and other significant air emissions	30
GRI	307-1	Noncompliance with environmental laws and regulations	N/A
GRI	401-1	New employee hires and employee turnover	32-33
GRI	403-1	Occupational health and safety management system	9-10
GRI	403-2	Hazard identification, risk assessment, and incident investigation	10
GRI	403-6	Promotion of worker health	9-10
GRI	403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	10
GRI	403-9	Work-related injuries	10, 32
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## ABBREVIATIONS

<b>\$MM</b>	Millions of dollars	<b>EPAC</b>	Explorers and Producers of Canada	<b>NOx</b>	Nitrogen oxides
<b>ABC</b>	Area Based Closure	<b>ES&amp;S</b>	Environment, Safety and Sustainability	<b>P+P</b>	Proved + Probable
<b>AER</b>	Alberta Energy Regulator	<b>ESG</b>	Environment, Social and Governance	<b>PIR</b>	Profit investment ratio
<b>AFF</b>	Adjusted funds flow	<b>FFF</b>	Free funds flow	<b>PM<sub>10</sub></b>	Particulate matter with a radius greater than or equal to 10 micrometers
<b>ARO</b>	Asset Retirement Obligation	<b>GHG</b>	Greenhouse gas	<b>SASB</b>	Sustainability Accounting Standards Board
<b>ASCP</b>	Accelerated site closure program	<b>GJ</b>	Gigajoule	<b>SRP</b>	Site rehabilitation program
<b>Bbl</b>	Barrel	<b>GRI</b>	Global Reporting Initiative	<b>SOx</b>	Sulfur oxides
<b>BOE</b>	Barrel of oil equivalent	<b>IRC</b>	Indian resources council	<b>TCFD</b>	Task Force on Climate-Related Financial Disclosures
<b>CAPP</b>	Canadian Association of Petroleum Producers	<b>kg</b>	Kilogram	<b>tCO<sub>2</sub>e</b>	Tonnes of carbon dioxide equivalent
<b>CH<sub>4</sub></b>	Methane	<b>LRIF</b>	Lost-time recordable incident frequency	<b>TRIF</b>	Total recordable incident frequency
<b>CO</b>	Carbon monoxide	<b>LTI</b>	Long-term incentives	<b>TVE</b>	Tamarack Valley Energy Ltd.
<b>CO<sub>2</sub></b>	Carbon dioxide	<b>M<sup>3</sup></b>	Cubic meter	<b>UN SDG</b>	United Nations Sustainable Development Goals
<b>CO<sub>2</sub>e</b>	Carbon dioxide equivalent	<b>MD&amp;A</b>	Management's Discussion and Analysis	<b>UNDRIP</b>	United Nations Declaration on the rights of indigenous peoples
<b>D</b>	Day	<b>MMBOE</b>	Million barrels of oil equivalent	<b>VOC</b>	Volatile organic compound
<b>EOR</b>	Enhanced oil recovery	<b>N<sub>2</sub>O</b>	Nitrous oxide		

## CONVERSIONS

<b>1 barrel of oil (bbl)</b>	1 barrel of oil equivalent
<b>1 cubic meter (m<sup>3</sup>)</b>	6.29281 barrels (bbl)
<b>1 cubic meter (m<sup>3</sup>)</b>	1000 litres (L)
<b>1 thousand cubic feet gas (mcf)</b>	1/6 barrel of oil equivalent
<b>1 tonne (t)</b>	1000 kilograms (kg)
<b>1 tonne carbon dioxide (CO<sub>2</sub>)</b>	1 tonne carbon dioxide equivalent (tCO <sub>2</sub> e)
<b>1 tonne methane (CH<sub>4</sub>)</b>	25 tonnes carbon dioxide equivalent (tCO <sub>2</sub> e)
<b>1 tonne nitrous oxide (N<sub>2</sub>O)</b>	298 tonnes carbon dioxide equivalent (tCO <sub>2</sub> e)

## DEFINITIONS

### Inactive Liability

future costs associated with assets that are no longer productive, including abandonment, remediation and reclamation

### Scope 1 (Direct) Emissions

emissions that occur directly through the process of business operations that are owned or within the direct control of the corporation including stationary combustion, incineration or flaring of product, product losses to atmosphere and mobile combustion where applicable as per Greenhouse Gas Protocol guidelines

### Scope 2 (Indirect) Emissions

emissions from purchased energy where the organization benefits from the energy production but is not in control of the emissions including electricity, steam, heat or cooling as per Greenhouse Gas Protocol guidelines



# ADVISORIES

We have taken care to ensure that the information in this 2023 Sustainability Report (the “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 Tamarack public disclosure, and such disclosure is not intended in any way to be qualified, amended, modified or supplemented by the information herein.

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. This Report does not provide investment advice, 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. We may change our policies for calculating these GHG emissions and other sustainability metrics in the future without prior notice.

This Report includes market, industry and economic data which was obtained from various publicly available sources and other sources believed by Tamarack to be true. Although Tamarack 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. Tamarack 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 Tamarack makes no representation as to the accuracy of such information.

Forward-looking information, or forward-looking statements, have been included in this Report to provide information about Tamarack, including management’s assessment of our future plans and operations. This Report contains certain forward-looking information related to future, not past events and circumstances – including those which may relate to our strategies, focus, goals, ambitions, aims, targets, plans, objectives, operations, results and financial performance. The use of any of the words “will”, “may”, “anticipate”, “expect”, “objective”, “believe”, “plans”, “intends”, “potential”, “continue”, “guidance”, and similar expressions

are intended to identify those forward-looking statements. Forward-looking statements involve risk and uncertainty because they relate to events and depend on circumstances that will or may occur in the future and are outside of our control. These statements are only predictions. Actual results or outcomes may differ from those expressed in such statements. Although we believe that the expectations reflected in the forward-looking statements are reasonable based on the information available on the date such statements are made, we cannot guarantee future results, levels of activity, performance or achievement since such expectations are inherently subject to significant business, economic, competitive, political and social uncertainties and contingencies. Many factors could cause our actual results to differ materially from those expressed or implied in any forward-looking statements made by, or on our behalf, in this Report. More particularly and without limitation, this Report contains forward-looking information and statements about: our financial, operational and ESG goals, strategy, plans, focus, key performance indicators and sustainability performance targets, including with respect to acquisitions; our sustainability strategy, program, practices, initiatives, plans, goals and reporting and the impact and timing thereof; our risk management policy, the development and implementation of additional measures and the commitment to stakeholders; our goal to assign financial and qualitative values to risks and opportunities; our goal to increase transparency of ESG measures through third-party assurance of reporting; 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; Tamarack’s sustainability scorecard, commitments and goals relating thereto and timing thereof including with respect to: transparency, diversity and governance practices and objectives; prioritizing health and safety, rectifying risks and continuous education, and achieving our goals and targets relating thereto; meaningful engagement, mutual transparency and shared economic value with community partners; active partnerships, support for cultural and knowledge sharing with our Indigenous stakeholders; empowering our people through education, active engagement and inclusion; land and biodiversity preservation including practices that minimize our ecosystem impact, complete land restoration and management of inactive liabilities including budget for abandonment and reclamation activities in 2024; water management including adherence to water regulations, prudent use of water and use of non-potable water sources; and reducing GHG emissions, lower emission intensity and climate change risk management, the implementation thereof and expectations relating thereto. Statements relating to “reserves” are also deemed to be forward looking information, as they involve the implied assessment, based on certain estimates and assumptions, that the reserves described exist in the quantities predicted or estimated and that the reserves can be profitably produced in the future.

Forward-looking information is based on a number of factors and assumptions which have been used to develop such information but which may prove to be incorrect. In addition to other factors and assumptions which may be identified in this Report, assumptions have been made regarding and are implicit in, among other things: our ability to continue to implement and the success of our ESG and sustainability program, practices, initiatives and plans, the timings thereof and impact on Tamarack achieving its goals relating thereto including with respect to: transparency, diversity and governance practices; prioritizing health and safety, rectifying risks and continuous education; meaningful engagement, mutual transparency and



shared economic value with community partners; active partnerships, support for cultural and knowledge sharing with our Indigenous stakeholders; empowering our people through education, active engagement and inclusion; land and biodiversity preservation including practices that minimize our ecosystem impact, complete land restoration and management of inactive liabilities and the costs thereof; water management including adherence to water regulations, prudent use of water and use of non-potable water sources; and reducing GHG emissions, lower emission intensity and climate change risk management; our ability to execute our risk management policy; the accuracy of our materiality assessment; the success of future drilling, development and completion activities; the performance of existing and new wells and the payback thereof; the performance of enhanced oil recovery projects; the availability and performance of facilities and pipelines; the geological characteristics of Tamarack's properties; the successful application of drilling, completion and seismic technology; prevailing weather and break-up conditions and access to our drilling locations; commodity prices, price volatility, price differentials and the actual prices received for the Company's products, royalty regimes and exchange rates; the application of regulatory and licensing requirements; the availability of capital, labour and services; our ability to complete planned capital expenditures within budgeted cost estimates; the ability to market our oil and gas successfully; our ability to integrate assets and employees acquired through acquisitions; the creditworthiness of industry partners and our ability to acquire additional assets.

Readers are cautioned that the foregoing list is not exhaustive of all factors and assumptions which have been used. Although Tamarack believes that the expectations and assumptions on which the forward-looking statements are based are reasonable, undue reliance should not be placed on the forward-looking statements because Tamarack can give no assurance that they will prove to be correct. Since forward-looking statements address future events and conditions, by their very nature they involve inherent risks and uncertainties. Actual results could differ materially from those currently anticipated due to a number of factors and risks. These risks and uncertainties include, but are not limited to: the successful execution of our strategic priorities and ESG goals; the oil and gas industry in general (e.g., operational risks in development, exploration and production; delays or changes in plans with respect to exploration or development projects or capital expenditures; the uncertainty of reserve estimates; failure to realize the benefits of acquisitions the uncertainty of estimates and projections relating to production, costs and expenses, including the impact of inflationary pressures thereon, and health, safety and environmental risks); economic and competitive conditions, including inflation, commodity price and exchange rate and fluctuations thereof; the pace of the energy transition; changes in legislation (including but not limited to tax laws, royalty regimes and environmental legislation); public sentiment; adverse weather or break-up conditions; uncertainties resulting from potential delays or changes in plans with respect to exploration or development projects or capital expenditures; litigation risks; global health crises; Russia's military actions in Ukraine; and risks relating to the Alberta wildfires. These and other risks are set out in more detail in Tamarack's annual information form for the year ended December 31, 2022 (the AIF) and Tamarack's management's discussion and analysis for the year ended December 31, 2022 and the period ended March 31, 2023 (collectively, the MD&As). The AIF and MD&As can be accessed on Tamarack's website at [www.tamarackvalley.ca](http://www.tamarackvalley.ca) or under Tamarack's profile on [www.sedar.com](http://www.sedar.com).

Forward-looking information is based on current expectations, estimates and projections that involve a number of risks and uncertainties which could cause actual results to differ materially from those anticipated by the proposed management and described in the forward-looking information. The forward-looking information contained in this Report is made as of the date hereof and the proposed management undertakes no obligation to update publicly or revise any forward-looking information, whether as a result of new information, future events or otherwise, unless required by applicable securities laws. The forward-looking information contained in this Report is expressly qualified by this cautionary statement.

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, which is aligned with our consolidated financial statements. References to "boe" may be misleading, particularly if used in isolation. 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.

In addition to using financial measures prescribed by International Financial Reporting Standards (IFRS or GAAP), this Report also makes reference to the terms: "free funds flow" and "adjusted funds flow," which are not recognized measures under GAAP, and do not have a standardized meaning prescribed by GAAP. Accordingly, Tamarack's use of these terms may not be comparable to similarly defined measures presented by other companies. Management uses these terms for its own performance measures and to provide shareholders and potential investors with a measurement of Tamarack's efficiency and its ability to generate the cash necessary to fund shareholder returns, fund future growth expenditures or repay debt. Accordingly, investors are cautioned that the non-GAAP financial measures should not be considered in isolation nor as an alternative to net income (loss) from continuing operations or other financial information determined in accordance with GAAP as an indication of Tamarack's performance. See "Non-IFRS Financial Measures, Non-IFRS Financial Ratios and Capital Management Measures" in the annual MD&A, available at [www.tamarackvalley.ca](http://www.tamarackvalley.ca) for further clarification.

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## DIRECTORS

**John Rooney** - Chairman <sup>(1)(3)(4)</sup>

**Brian Schmidt (Aakaikkitstaki)**

**Jeff Boyce** <sup>(1)(4)</sup>

**Kathleen Hogenson** <sup>(2)(4)</sup>

**John Leach** <sup>(1)(2)</sup>

**Marnie Smith** <sup>(1)(3)</sup>

**Robert Spitzer** <sup>(2)(3)</sup>

**Caralyn Bennett**

## MANAGEMENT TEAM

**Brian Schmidt (Aakaikkitstaki)**

President &  
Chief Executive Officer

**Steve Buytels**

Vice President, Finance &  
Chief Financial Officer

**Kevin Screen**

Chief Operating Officer

**Lynne Chrumka**

Vice President,  
Exploration

**Scott Shimek**

Vice President,  
Production & Operations

**Christine Ezinga**

Vice President, Corporate Planning  
& Business Development

**Ben Stoodley**

Vice President,  
Engineering

## Bank Syndicate Co-Leads

National Bank of Canada  
Royal Bank of Canada

## Legal Counsel

Stikeman Elliott LLP

## Auditor

KPMG LLP

## Stock Exchange Listing

Toronto Stock Exchange  
Stock Symbol - TSX: TVE

## Corporate Office

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Jamieson Place – Suite 3300,  
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Calgary, AB T2P 0H7

**Tel:** 403.263.4440

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**www.tamarackvalley.ca**

(1) Member of the Audit Committee of the Board of Directors  
 (2) Member of the Reserves Committee of the Board of Directors  
 (3) Member of the Governance & Compensation Committee of the Board of Directors  
 (4) Member of the Environment, Safety and Sustainability Committee of the Board of Directors

**For Questions About this Report Contact:**

*June-Marie Innes - Director, Finance & Sustainability*

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