



ESG Policy

Effective date: March 15, 2022

Purpose

At Prairie Provident Resources (“Prairie Provident”, “PPR”, “we”, “our”), we are committed to doing business in a sustainable fashion, that will leave limited negative impact on the environment, that adds value to the community where we operate, and supports the well-being and safety of our employees and contractors. We also encourage and promote a culture of ethical business conduct by expecting each other, all officers and management to act in a manner that exemplifies ethical business conduct. These expectations set the tone for all employees of the company. As such, the Board has adopted a Code of Business Conduct and Ethics (Code).

We also believe that environment, social, and governance (ESG) considerations need to be integrated into our business practices because it enhances our long-term sustainable value. To that end, this ESG Policy (Policy) and our Code will help steer our company in 2022 and beyond.

Scope

With oversight from the Board of Directors (Board), this Policy sets the framework for the company and applies to all staff, consultants, suppliers, and service providers who perform activities for, or on behalf of, Prairie Provident; and applies in all locations where the company conducts business.

Policy statements

Our activities are guided by the results of our sustainability materiality assessment. We have identified the following seven key focus areas with respect to sustainability management:

Governance and Leadership, Climate Change, Environmental Stewardship, Water Management, People, Community and Indigenous Relations, and Asset Management.

Governance and leadership

Prairie Provident’s Leadership Team is accountable to the principles of this Policy, and their mandate is to align our business practices with our ESG commitments. The Code and the Policy are communicated across the organization and will help shape our



future performance expectations. Our goal is to be both an employer of choice as well as a community leader in locations where we operate.

Our recently announced ESG Committee, led by Committee chair and Board member Bettina Pierre-Gilles, will guarantee responsible oversight, direction, and alignment regarding the Policy integration into our business practices and behaviors. Our President & CEO also sits on the ESG committee, ensuring alignment between the Board and Management. This new committee will be the stewards of our ESG commitments internally and will ensure that all Board Committees account for the impact and risks in their evaluations.

Currently, the company links compensation for executives and all other employees to an annual scorecard that includes operating and financial performance metrics, as well as goals related to environmental protection and remediation and employee safety. Prairie Provident recognizes the importance of achievable goal setting related to additional ESG metrics and plans to incorporate these targets into the annual scorecard starting in 2022.

People

The safety of our Employees is paramount to Prairie Provident as an Employer. Excellence in Health, Safety, Environment and Regulatory Compliance (“HSE”) practices is vital to the well-being of our employees, contractors, and the communities in which we operate and is an integral part of the business operations of Prairie Provident. Under the stewardship of the Board of Directors and executive leadership, we reinforce this commitment through the promotion and support of a culture where all employees and contractors participate and share ownership in health and safety management and are encouraged to report any unsafe conditions immediately to the attention of the company. Safety is a value that we don’t take lightly at Prairie Provident and it is an essential part of our culture as a corporation.

We are committed to providing a diverse, competent, equitable, and inclusive work environment where every employee and contractor can feel supported and encouraged to contribute to the success of Prairie Provident. We believe that different perspectives and backgrounds can facilitate a broader exchange of ideas, thus leading to a pathway of optimisation and innovation, which both improve our overall operations, environmental footprint, while ensuring best business practices and decision-making. In particular, gender diversity is of particular importance to our organization. Our company has a formal gender diversity policy for the identification and nomination of women Directors.



Climate Change

Given the nature of our business, we know that how we operate has an impact on climate and the environment. As such, we are committed to mitigating those risks by investing in new and improved technology, drilling techniques, and other sustainable operations to do our part to deliver our products with the lowest emissions possible. We are committed to continuous improvement in our operations, to tracking and monitoring our emissions output, and to reducing our operational emissions.

Environmental Stewardship

Environmental stewardship is of paramount importance as we consider where we work, and Prairie Provident is dedicated to reducing our impact on air quality through monitoring and technology-driven change. Protection of native species and biodiversity in areas we operate is integrated into our field operating procedures. We take pride in the fact that we always seek ways to minimize our environmental footprint, whether at head office or in the field, by always implementing innovative techniques in every step of our operations.

Water Management

We are committed to using available water resources in an environmentally sustainable manner. Most of our produced water volumes are recycled back into formation as part of our waterflood optimization strategy. We also work with suppliers to utilize fracturing techniques and fluids that incorporate minimal freshwater resources, and we are continuously evaluating new ways to reduce freshwater use.

Community and Indigenous Relations

Prairie Provident cares about the communities in which it operates. As part of being a good corporate citizen, we view community engagement as a key part of responsible energy development in the areas affected by our operations. When working with landowners, communities, various levels of government, and interest groups we strive to build and maintain positive relationships based on honesty, integrity, and respect. We are committed to being a positive force in the local communities around our operations, and to using our resources to help address key community issues.

We believe in building mutually beneficial long-term relationships through understanding, respect, and cooperation with local Indigenous communities. Our commitments to Indigenous communities include early engagement, respecting

their sovereign rights, interests, and traditional knowledge by seeking their views and input, as well as developing and maintaining effective communication. The traditional knowledge and experience that Indigenous communities share with Prairie Provident help us better understand our surroundings and the possible effect of our activities on them.

Asset Management

We recognize that the energy sector must keep pace with the transition to a lower carbon economy. Development of our existing asset base requires a thoughtful approach based on understanding environmental impacts and the utilization of technological advances both to reduce our impact and to improve energy efficiency.

Asset retirement is an important step within our overall asset management strategy. Our “Circle of Life” initiative ensures that we are focused on reducing our liabilities and that our closure process is more streamlined.

Support

For questions related to this Policy, please contact one of the following:

Tony Berthelet	President &CEO	e: tberthelet@ppr.ca
Ryan Rawlyk	VP Production & Operations	e: rrawylyk@ppr.ca
Angie Stastook	Specialist, Asset Liability & ESG	e: astastook@ppr.ca

Related policies and standards

- Code of Business Conduct & Ethics
- Whistle Blowing Procedures
- Health, Safety, Environment and Regulatory Compliance Policy

Additional standards in development

- Indigenous Relations Policy
- Corporate Diversity Policy
- Supplier Code of Business Conduct
- PPR Giving and Volunteering Program Guideline