

Sustainability Report 2021



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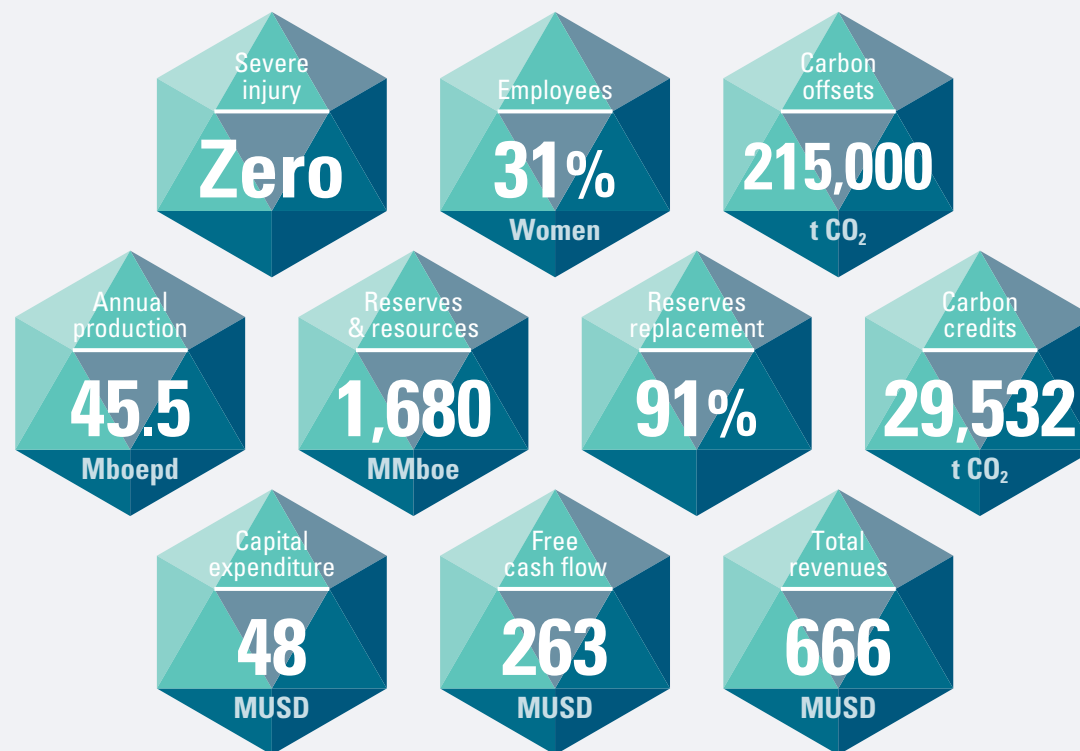
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2021 Highlights



WE SUPPORT



TCFD

TASK FORCE ON
CLIMATE-RELATED
FINANCIAL
DISCLOSURES



Message from the CEO

In 2021, we focused on the challenge of delivering our recovery plan following the negative impact of the Covid-19 pandemic and the ensuing oil price shock. Our aim was to ensure that we could deliver sustainable oil and gas supply in a safe and secure manner. Importantly, we have managed to keep everyone safe and have remained resilient in the face of renewed surges from new Covid-19 variants. None of our operations have been interrupted as a result of the pandemic and we maintained a sound health and safety performance throughout the year. That is a testament to the high calibre team of professionals that we are fortunate to have working within our company.

It was also an important year for organizational culture and employee feedback, where we conducted a process to redefine our Vision and Values as a company with input from employees and stakeholders. The clarity around our core values of Excellence, Respect, and Resilience is our springboard for the next phase of growth.

I am pleased to present our third Sustainability Report where we highlight IPC's efforts in continuing our success as an entrepreneurial energy company while strengthening our framework in sustainability. This report shines a light on our ESG approach and performance and is IPC's third Sustainability Report and Communication on Progress towards the United Nations Global Compact.

Our role to play

Following our efforts and having delivered on our recovery plan, IPC finds itself in the best ever position to be able to reach new heights in the years ahead. The energy transition for many companies means scaling back their oil and gas portfolios and diverting investment away from upstream activities in favour of renewable energy. While this is absolutely necessary, companies like IPC will continue to play a vital role in delivering reliable and affordable energy in the form of oil and gas resources in a responsible manner. The war in Ukraine has heightened uncertainty and brought back into focus global energy security concerns. We are seeing the critical importance of secure and reliable oil and gas supplies today, and we are contributing to supplying the world with energy that is needed.

Resilience and focus on delivery

Having had to do the unthinkable and curtail production in 2020, we have lifted production levels back to pre-pandemic highs at the end of 2021 on a minimal capex budget. The exceptional operational delivery well above our original high end forecasts in all our business units in Canada, France and Malaysia, combined with a recovery in energy prices across the entire energy complex, resulted in IPC delivering a record high cash flow in 2021. This has allowed us to materially reduce our debt levels from above USD 300 million at the beginning of 2021 to below USD 100 million at the end of the year. In Q2 2022 we achieved the significant milestone of being in a net cash position. In early 2022, we announced a new capital allocation framework to clearly define our capital allocation and returns to shareholders, which we have followed through with over the first six months of 2022.

Continuous progress in advancing sustainability

In 2021, we built on our solid foundations to further embed sustainability within the IPC culture, leveraging internal and external expertise to build understanding, knowledge and develop innovative ideas and initiatives. We did this by encouraging and valuing everyone's contribution in advancing ESG performance. We recognize that our business can directly and meaningfully affect our environment and society as a whole, and we seek to maximize positive impacts and mitigate negative ones through our approach to sustainability management. In 2021, we developed a more advanced approach to sustainability by identifying six key priorities which you will discover in the following pages.

Progressing on climate efforts

We set a target of reducing our carbon emission intensity by 50% in 2025 compared to 2019 levels. Every year we seek to be more energy efficient and we investigate emissions reduction opportunities within our operations. A tangible recognition of these efforts are the carbon credits and methane performance certificates that we have been generating in our Canadian business. Additionally, we have offset 215,000 tonnes of CO₂ emissions against our 2021 emissions. Combining these efforts means that we are well on track to achieving our reductions target by 2025. We have also further strengthened our climate governance in the past year with proactive Board engagement initiatives. Furthermore, for the first time as part of our continuous improvement process we are aligning this report with the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD).

Redefining our identity

We recognized that uniting our people in the second year of the pandemic was becoming more and more important as lives continued to be disrupted by the Covid-19 restrictions that we had to endure. Together with colleagues from all regional offices we seized the opportunity to redefine who we are as a company, the direction we take and how we operate. That collaboration allowed us to redefine our Vision and set out the Values that we want to live by in order to achieve that Vision.

On behalf of IPC's Executive Committee and our Board of Directors, I want to thank our people for their phenomenal performance in 2021 and also to all of our stakeholders for their collaboration, support and trust. Together, we are setting the pace for others to follow.

Sincerely,



Mike Nicholson
President and CEO



About International Petroleum Corporation

IPC is an internationally focused upstream oil and gas company with a high-quality portfolio of low decline assets located in Canada, Malaysia and France.

IPC recognizes that sustainability is critical for long-lasting success, strengthening the company's reputation and business performance.

Our Vision

We are an entrepreneurial value-driven team bringing energy to the world in a sustainable way.

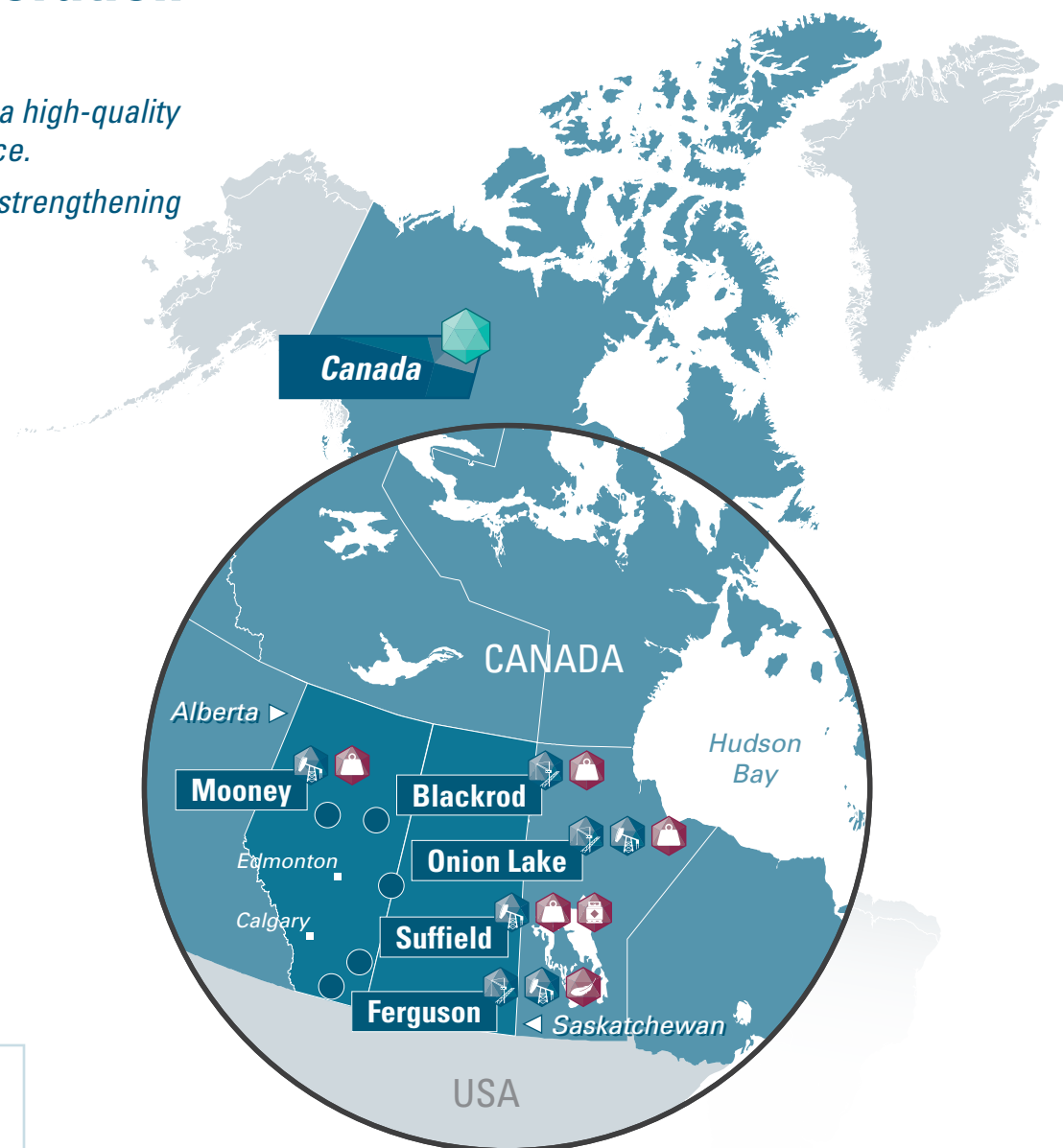
Our Purpose

Be recognized as an energy company that demonstrates responsible production practices and business ethics, undertakes active community engagement, and is led by a talented group of individuals. Focus on reducing emissions while also contributing to the sustainable development of the countries in which we operate.

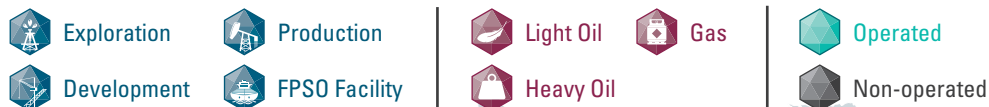
Our Strategy

Grow IPC's overall production, reserves and resource base both organically by investing in our assets as well as completing strategic and accretive acquisitions that prioritizes asset quality over any specific geographic preference.

As a member of the Lundin Group of Companies, IPC is incorporated in Canada and our shares are listed on the Toronto Stock Exchange (TSX) and the Nasdaq Stockholm under the symbol "IPCO".



Vision & Values



In 2021, IPC established clarity on who we are as a company, where we are going, and the principles that underpin success across our entire organization. This clarity led to the articulation of our vision:

We are an entrepreneurial value-driven team bringing energy to the world in a sustainable way.

Highlights of our vision include:

- A focus on what we do best and continually improving
- Establishing a collaborative culture of enthusiastic and skilled people where creative thinking and innovation are encouraged
- Being a safe and environmentally-responsible operator with high integrity standards
- Fostering a culture of respect, diversity and inclusion recognizing employees are integral to our success
- Engaging with stakeholders to build trust and confidence in IPC's contribution to global sustainable economic development

Helping achieve our vision are three core IPC values, along with associated behaviors and actions.



About our Reporting

This is IPC's third Sustainability Report and we are proud of the significant progress we have made towards improving performance on our ESG goals and strategy.

Framework

During our efforts to formalize IPC's approach to ESG within its strategic priorities and disclosure practices, we have considered several relevant ESG-specific reporting standards and best practices to inform how we measure our performance. We have elected to use the Global Reporting Initiative (GRI) Standards Core Option, including selected GRI G4 Oil and Gas Sector Disclosures, Task Force on Climate-related Financial Disclosures (TCFD), and the International Petroleum Industry Environmental Conservation Association (IPIECA), as the primary guides for the development of this report. The report includes disclosures relevant to our material topics, as defined through our own in house materiality assessment. IPC will continue to evaluate and advance its sustainability reporting standards and material ESG factors for future sustainability reports.

Scope of this Report

For all our material topics and metrics, we report and measure performance on a gross (100%), operated basis. Our Company's head office is located in Canada, our operational offices and assets are based in Canada, France and Malaysia and we have employees conducting corporate functions at our office in Switzerland. Our reporting boundaries are listed below.

Environment



Social



Governance



Environmental topics are reported for our regions of operations only, as this is where we have material impacts. GHG emissions are reported on an operational control basis and do not include non-operated assets. Company-wide travel emissions are presented on a consolidated basis and include emissions from all travelling IPC personnel. Contractors are included in our metrics for health and safety.

All dollar amounts are expressed in U.S. currency. References to "we", "our", "us", "the Company" and "IPC" mean International Petroleum Corp., and its subsidiaries and divisions. Unless otherwise noted: (i) all information in this report is presented as at, and for the year ended, December 31, 2021, and (ii) the data and analysis relates to IPC and not its distribution partners, suppliers or customers.

Report Quality

The collection and analysis of the corporate information provided within this Sustainability Report has been managed by IPC's Sustainability, Operations and Investor Relations teams, working in collaboration with the Company's Executive Committee. The report development has followed a content gathering and approval process to ensure the report accurately reflects the Company's practices and performance. As is the case for all of our corporate reporting data, we place a high level of importance on collecting accurate and verifiable data in a consistent and rigorous manner to support our corporate disclosure practices. IPC uses a variety of data collection and management processes in the context of sustainability management and reporting. Our sustainability initiatives, including the production of this report, are overseen by our Reserves and Sustainability Committee on behalf of our Board of Directors, and this report was reviewed and approved by our Board of Directors prior to its release. We intend to have IPC's next Sustainability Report assured.



Materiality Assessment

An important step in preparing our Sustainability Report was to review the most relevant sustainability priorities for our business and those that matter most to our stakeholders. In 2021, we conducted a formal materiality assessment to ensure we accurately considered a broad range of perspectives in our strategic focus on sustainability, to guide the development of content for this report, and to inform readers of IPC's future sustainability efforts. The following internal practices were used to identify and assess sustainability priorities across our business and topics for this report:

Topic Identification

To identify topics for prioritization, we consulted the relevant components of the GRI Standards and the Sustainability Accounting Standards Board (SASB) Standards, extracted topics from peer reports, and reviewed sustainability reporting best practices.

Prioritization

IPC executed an extensive materiality assessment which consisted of interviews conducted with internal subject matter experts and senior leaders from across the Company. We then validated these topics by surveying our entire staff, of which 242 responded (representing 60% of staff), as well as external community members such as the Chief of the Onion Lake Cree Nation (OLCN).

Validation

The prioritized topics covered in this Sustainability Report were approved by our executive team and are well aligned with our core Values: Excellence, Respect and Resilience. We are committed to reassessing these topics to ensure they continue to reflect changes that may occur within our business, evolving ESG trends, and any shifts in stakeholder expectations. Our assessment of IPC's business has brought valuable benefits: it has strengthened our focus on, and understanding of, the areas where we can have the greatest positive impact.

With the goal of focusing on what matters most, this report will explore the identified material topics in the six areas that emerged from this assessment: Ethics & Integrity, Rewarding Workplace, Health & Safety, Community Engagement, Climate Action and Environmental Stewardship, each of which is discussed in greater detail in the pages that follow.

Materiality

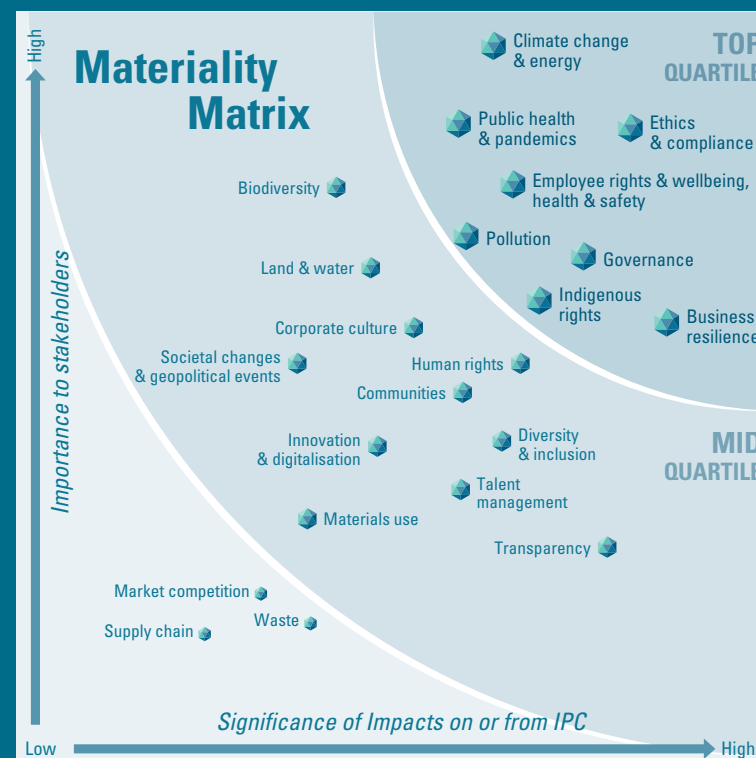
Materiality in sustainability reporting is determined by the potential of a particular topic to affect, positively or negatively, a company's performance and external opinion.

Material Topics

To act responsibly, we need to manage the issues that are most material to our business and our stakeholders.

We report on the eight topics classified as "high" in our materiality matrix, as well as those deemed of "medium" significance.

The inclusion of stakeholder opinion and evolving societal expectation is important to us as we aim to stay relevant in our current and future disclosures.



Our Approach to Sustainability

IPC's vision is to deliver energy to meet the needs of society. We aim to do this by responsibly developing our assets in a manner that minimizes adverse impacts to the environment, while supporting the economic and social well-being of our stakeholders and the communities in which we work. Tremendous value is placed on having an open dialogue regarding sustainability priorities and practices with IPC stakeholders, including but not limited to: our staff, local communities, shareholders and government organizations. IPC's list of material topics has been based on findings from consultations and surveys with employees, insights from stakeholder interviews, feedback from ongoing internal sustainability initiatives, competitive benchmark reports, and discussions with key internal leaders who are in regular contact with our external stakeholders.

Early in 2021, we conducted an ESG survey to gather feedback and suggestions from our entire workforce, which proved invaluable as we redefined our sustainability approach. IPC engaged people from across the organization to guide and develop this new strategy. We then launched our inaugural Vision & Values statement, which defines our culture and unifies our workforce towards common goals. Significant contribution from our staff across the organization contributed to this process, instilling a greater sense of ownership and pride among employees.

Our unique relationship with the Lundin Foundation provides us with direct access to a network of ESG, sustainability and reporting subject matter experts.

We were able to leverage this relationship and work closely with the Foundation to develop and implement our renewed sustainability strategy that sets the stage for the years to come.



The Sustainable Development Goals (SDG), UN Conventions and Principles on Business & Human Rights, Organization for Economic Co-operation and Development (OCDE) Guidelines on Multinational Enterprises and other frameworks inform our understanding of sustainability and the responsibilities of companies.



Sustainability Framework

Creating shared economic value for our stakeholders is an essential element to our culture. It is who we are and what we believe in. For IPC, shared economic value is comprised of social purpose infused with profitable growth for our business. This philosophy represents the foundation of our sustainability framework.



"We are an entrepreneurial value-driven team bringing energy to the world in a sustainable way"

Strategic Pillars

Strategic Growth

Financial Resilience

Sustainability

Priorities

- Operational Excellence
- Opportunistic M&A
- Maximize Resource Base Value

- Strong Cash Flow Generation
- Robust Balance Sheet
- Return value to stakeholders

- Ethics & Integrity
- Rewarding Workplace
- Health & Safety
- Community Engagement
- Climate Action
- Environmental Stewardship

Values

Excellence

Respect

Resilience

Our Sustainability Pillars

IPC redefined our sustainability strategy in 2021 by engaging with multiple stakeholders which led to the establishment of Sustainability Working Groups (SWGs). The SWG participants included 32 members of staff from Switzerland, France and Canada across the various departments who came together with the common goal to determine our six key identified priorities. For each sustainability priority we have and short-term goals to be accomplished in the following two years, unless otherwise noted, as outlined below:

Environmental Stewardship



We meet or exceed environmental standards. We have commitment to minimizing our impact to the environment and our aim is to restore or offset our impacts, implementing innovative approaches.

- ☑ Strive towards a goal of zero harm to land and water resources
- ☑ Ensure that our environmental restoration work meets or exceeds all regulatory requirements, as well as the expectations of our stakeholders, while striving to enhance the biodiversity within areas where we operate

Ethics & Integrity



We act consistently and transparently: in accordance with our corporate values, internal rules and the law. We build relationships based on mutual respect, earn trust and have a commitment to the highest standards of ethics.

- ☑ Achieve 100% of employee sign-off of IPC's revised Code of Ethics and Business Conduct
- ☑ Externally assure IPC's next Sustainability Report

Climate Action



We are playing our part in addressing the climate change challenge and aim to reduce our emissions to generate more value in the long term.

- ☑ Committed to reduce scope 1 net emissions intensity by 50% by 2025
- ☑ Continue alignment with TCFD recommendations on climate-related risks & opportunities

Community Engagement



We care, respect and build trust with local stakeholders. Going beyond compliance, through active engagement, we aim to find synergies between local community needs and social impact investments, clearly defined in our investment strategy.

- ☑ Develop IPC's company-wide community engagement and impact strategy
- ☑ Conduct human rights risks assessments across all of our operations



Rewarding Workplace



We put our people first and aim to attract and retain the best talent to drive our performance, providing equal opportunity and a rewarding working environment.

- ☑ Become a "Respect in the Workplace" certified company
- ☑ At least 30% of women on our Board of Directors to be attained within three years

Health & Safety



We prioritize our workers' and contractors' health and safety, aiming for zero accidents. We are recognized for our processes and management systems aligned with international best practices.

- ☑ Strive towards a goal of zero harm to people
- ☑ Continuously reinforce our safety culture by sharing assets learnings, challenges, and best practices towards a H&S culture

Sustainability Partnerships

We strive to take an active role in supporting continuous improvements by contributing our resources and knowledge to a broad range of organizations. IPC creates value for our stakeholders and has formed three strategic partnerships for the advancement of our sustainability.

Partnered with the Lundin Foundation

The Lundin Foundation is connected to a global community committed to knowledge sharing, collaboration and elevating best practices. IPC is among several companies who have forged partnerships to share the commitment to ensure local economic opportunities and benefits to surrounding communities.

Partnered with First Climate

IPC has partnered with First Climate, one of the world's leading providers of climate protection solutions, and currently is engaging in multiple offset projects.

Participant of the UN Global Compact

IPC actively participates in the world's largest sustainability initiatives, including the Canadian and Swiss UN Global Compact Local Networks and takes part in various programs such as the Young SDG Innovator Program. To contribute to the collective effort in progressing towards common goals, IPC also takes part in corporate sustainability research, such as the 2022 Special Edition of the CEO Study, examining how leading CEOs are addressing global challenges.

17 PARTNERSHIPS
FOR THE GOALS



Our Approach to Sustainability | Ethics and Integrity

Above all, IPC holds our ethics and integrity in the highest regard.

We act consistently and transparently, in accordance with our established values, corporate culture, and the law. To embody IPC's core values of Excellence, Respect and Resilience, we embrace sound governance and committed leadership. IPC builds relationships based on mutual respect, as we strive to earn trust, and remain committed to the highest standards of ethics.

At IPC we are committed to create the right culture and mindset, engage our staff and reinforce the right behaviours. We do so by engaging daily with our teams, organizing regional events and sharing the latest company updates and projects at global town halls.

Corporate Governance

Our Board of Directors (the "Board") sets the tone and standards for IPC. The Board's fundamental objectives are to enhance and preserve long-term shareholder value, ensure IPC meets its obligations on an ongoing basis and to ensure that IPC operates in a reliable, safe and sustainable manner. Our robust governance structure and standards are established by the Board and its committees, together with our executive management team. The Board's activities are governed by a set of procedural rules which are adopted by the Board. Through our various corporate policies we ensure that all employees understand our values and commitments and that ethical business practices are applied throughout the Company.

Sound corporate governance fosters an ethical culture and expands awareness of IPC's Code of Ethics and Business Conduct (the "Code"), which form the foundation of our corporate values. The Code sets out the basic rules, standards and behaviours that all IPC employees, contractors and members of our Board of Directors must follow. It addresses a wide range of topics that centre on ethical decision-making, including conflicts of interest, harassment, bribery and corruption, insider trading, competition and accounting, and business controls.

- *Achieve 100% of employee sign-off of IPC's revised Code of Ethics and Business Conduct*
- *Externally assure IPC's next Sustainability Report*



In 2022, IPC issued a revised Code to integrate our Vision and Values and republished the internal communication channels to voice concerns. Individuals inside and outside of the organization can also raise concerns confidentially through IPC's Whistleblower hotline, which is an independently managed service available 24/7 to employees, contractors and the public.

All reports are taken seriously and investigated by our Board of Directors or Human Resources teams. In 2021, there was one incident submitted to the whistleblowing hotline involving an alleged breach of IPC's Code related to an employee's behaviour. The incident was fully investigated in accordance with our whistleblowing procedures, corrective action was taken, and the matter was closed.

The Board regularly reviews IPC's guidelines and policies and considers how our corporate governance practices align with guidelines established by the relevant regulatory authorities, including the TSX and the Nasdaq Stockholm. In addition, we have implemented a new sustainability strategy and established internal ESG task forces comprised of multi-disciplinary groups, ensuring IPC has the people and protocols in place to effectively advance our ESG commitments and goals.

Our Board's Nominating and Corporate Governance Committee is responsible for making recommendations on the election or re-election of Board nominees and considers a range of factors, such as succession, performance, skills and diversity, including the identification and nomination of female directors. The Board is actively looking at female candidates to meet its target of 30% of female representation. Through 2021, the Board was comprised of seven members, of whom six were deemed non-executive directors and five were independent directors. In accordance with IPC's policies, directors aged 70 or over are not eligible to stand for re-election, which resulted in the number of directors being reduced to six at our 2022 Annual General Meeting (AGM). The Committee also carries the responsibility for annual assessments of the effectiveness of the Board and for coordinating initial and ongoing Board education initiatives.

Our Approach to Sustainability | Ethics and Integrity

Sustained Economic Growth

Capital allocation is also at the heart of good corporate governance and financial management. As IPC focuses on generating sustainable returns and delivering value to shareholders over the long term, we balance this by considering the level and nature of risk we can take on, ensuring our resilience is always maintained. This contributed to our decision to implement a clear capital allocation policy in 2022.

ESG Governance

The Board ensures that appropriate governance mechanisms are in place to monitor the Company's operational, financial, ESG and climate change issues, and that relevant information and reporting are provided, including progress and continuous improvement efforts with respect to IPC's performance against these issues.

Executive remuneration is linked to ESG performance, including progress towards targets, and the Board is responsible for monitoring and overseeing such metrics. ESG performance accounts for 15% of corporate targets determining variable executive remuneration, and comprises climate, environmental and safety targets.

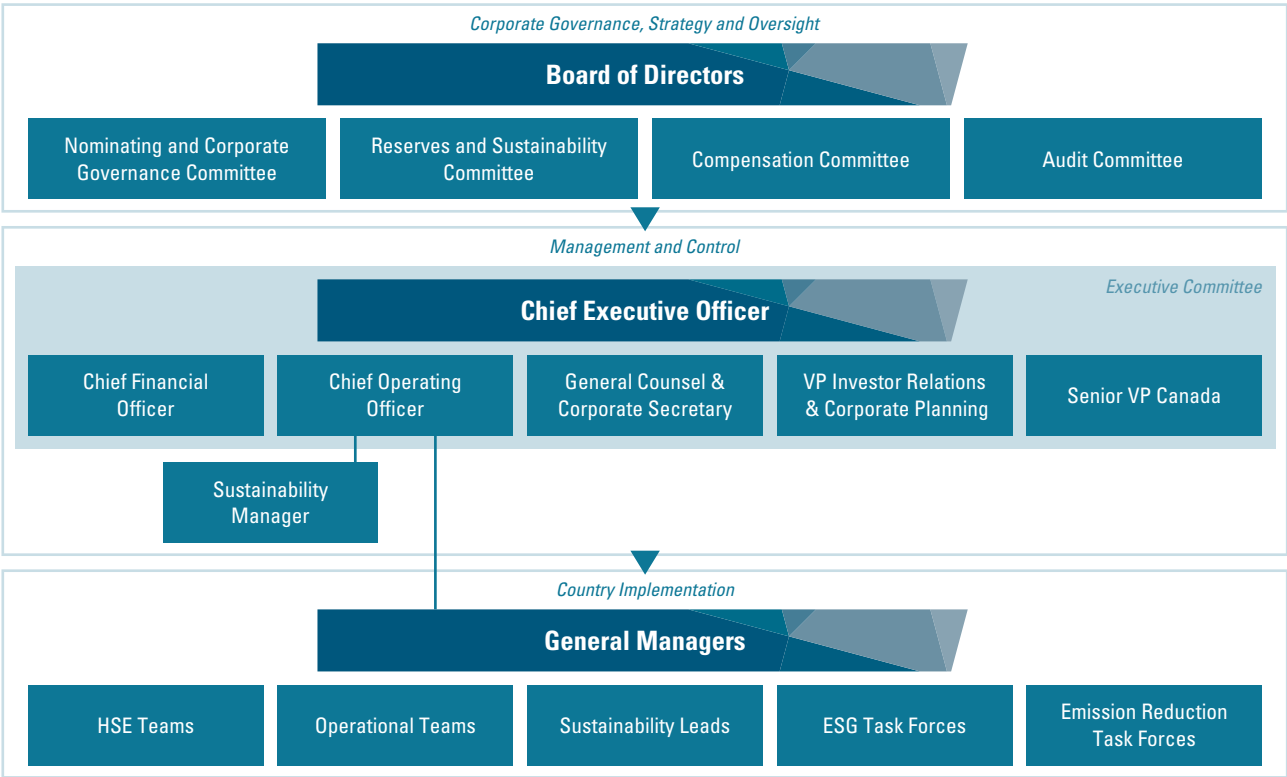
Pillar	Environment	Social	Governance
Key Topics	<ul style="list-style-type: none">• Climate Action• Environmental Stewardship	<ul style="list-style-type: none">• Health & Safety• Rewarding Workplace• Community Engagement	<ul style="list-style-type: none">• Ethics & Integrity
Board Oversight	<ul style="list-style-type: none">• Reserves & Sustainability Committee	<ul style="list-style-type: none">• Reserves & Sustainability Committee	<ul style="list-style-type: none">• Nominating & Corporate Governance Committee• Audit Committee• Compensation Committee
Executive Oversight	<ul style="list-style-type: none">• COO	<ul style="list-style-type: none">• COO	<ul style="list-style-type: none">• CFO & General Counsel

Our Approach to Sustainability | Ethics and Integrity

In 2021, the Board adopted the revised Reserves and Sustainability Committee mandate to expand the Committee’s responsibilities with respect to reviewing and reporting to the Board on sustainability matters. Through the Reserves and Sustainability Committee, the Board’s oversight duties have been expanded to incorporate climate-related implications for IPC. Through this committee, the Board is regularly informed on climate-related issues. The CEO, the COO and the sustainability manager share the responsibility for informing and engaging the Board on climate-related matters. The Board considers climate-related issues in the decision-making process pertaining to organizational strategy and business planning.

When new acquisitions are made, projected emissions and the impact on climate strategy are key concerns. The Board of Directors and its Reserves and Sustainability Committee have ultimate accountability and oversight over IPC’s climate risks and opportunities and are responsible for monitoring the progress towards IPC’s emission intensity reduction target.

In early 2022, IPC conducted a formal climate awareness and climate risk session with the Board of Directors and has prioritized advancing the alignment of IPC’s reporting with TCFD recommendations.



Our Approach to Sustainability | Ethics and Integrity

Climate Governance

Climate-related issues are embedded into the organization spanning from Board oversight, to the executive committee's climate risk reviews and local ESG task forces. The day-to-day handling of climate-related issues falls with the CEO and the executive committee and General Managers locally. Management's executive committee is responsible for reviewing, assessing, and managing all climate-related risks and opportunities and reports to the Board, with the sustainability manager, on a regular basis. The sustainability manager keeps management informed on a regular basis and is in constant communication providing additional updates when necessary to ensure management is able to fulfill its duty of monitoring all climate-related issues. Finally, remuneration of senior management is impacted by corporate performance on environmental, social and governance initiatives including a tie to carbon intensity reduction success.

Supply Chain & Partners

IPC believes that we must be mindful of not just our own actions, but also of those we chose to partner with. This includes integrating sustainability considerations across our contractor and procurement management, creating mutual efficiencies with suppliers that factor in the environmental and social impacts of our procurement decisions.

We continue to partner with suppliers who share our values and align with our strategic objectives; seeking opportunities to reduce our environmental footprint, supporting the communities where we work and live, and collectively contributing to economic sustainability. We engage with suppliers on their sustainability performance by having them acknowledge and affirm adherence with our corporate policies and standards.

Tax Transparency

Our revenue reporting and tax practices are aligned with the values, expectations and principles set out in IPC's Code. We ensure ongoing and transparent compliance with all tax regulations, including holding regular meetings with advisors to monitor changes in tax law and assess risk. IPC discloses payments to governments including taxes as required by ESTMA. In 2021, IPC paid a total of MUS\$ 76 in taxes, royalties, fees and production entitlements to governments compared to MUS\$ 42 in 2020.



Our Approach to Sustainability | Rewarding Workplace

Building a positive culture that encourages creative thinking innovation and collaboration drives how we make decisions and where we focus our talent at IPC.

We aim to foster a culture of respect, diversity and inclusion, recognizing that employees are essential to our success.

Employee Well-Being & Retention

We strive to attract, retain and motivate talented and enthusiastic people who are dedicated to creating a respectful environment. By drawing our workforce from within the regional communities of our host countries, IPC supports local employment and increased activity in the areas near our sites, driving operational synergies with sustainable economic benefit for those communities.

IPC's pay and benefit programs are competitive and designed to reward strong performance and contributions, while supporting the overall well-being of all employees and their families. We review pay practices annually in each region to ensure we continue to attract and retain the quality of talent required to support our strategic and financial goals. We continuously work to provide measures to foster employees' health and well-being including part-time working options, flexible working hours and working from home arrangements where feasible.

Employees and managers have visibility into their respective contributions to IPC through annual goal setting, performance reviews and ongoing professional development, all of which help to define opportunities to grow within the Company.

With a focus on employee retention, turnover rates at IPC are extremely low. All employees of IPC have their voices heard and remain engaged through the various feedback mechanisms offered. The ESG survey conducted early 2021 demonstrated a high level of participation and for 2022, we will roll-out our first employee satisfaction survey. Our employee count in 2021 is identical to that of 2020.

- Become a "Respect in the Workplace" certified company
- At least 30% of women on our Board of Directors to be attained within three years



Rewarding Workplace

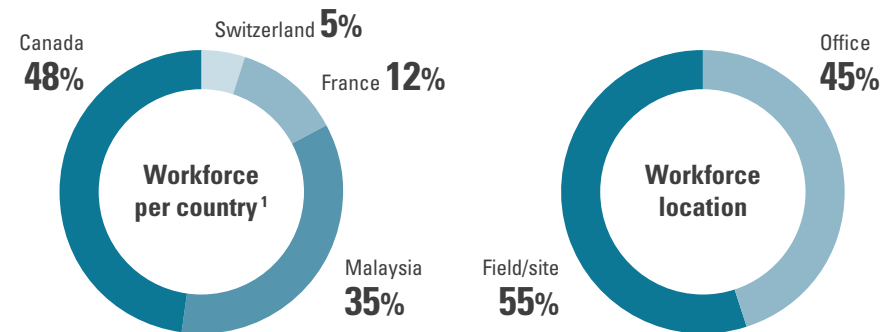


Culture, Diversity & Sustainable Management

IPC values individual differences and diversity in our workplace and recognizes the benefits gained by engaging a broad pool of quality employees. Formalizing these principles is IPC's Diversity Policy which outlines our commitment to fostering a work environment free from all forms of discrimination and harassment and promoting inclusivity where employees have equal opportunity to contribute to IPC's success. An open-door policy between employees and management further helps to promote a culture of trust and communication.

In order to establish a strong and unified corporate culture while continuing to manage through the work from home protocols during the pandemic, IPC focused on solidifying clearer statements that define who we are, what we stand for and where we are going that extends all throughout the organization's locations around the world. This culminated in IPC unveiling our purpose, vision and values in early 2022 (see section IPC Vision & Values on pages 3 and 15 of this report for a summary). Today, these are proudly conveyed on posters within each of our global locations, serving to unite and inspire IPC employees to work toward the same goals.

Workforce

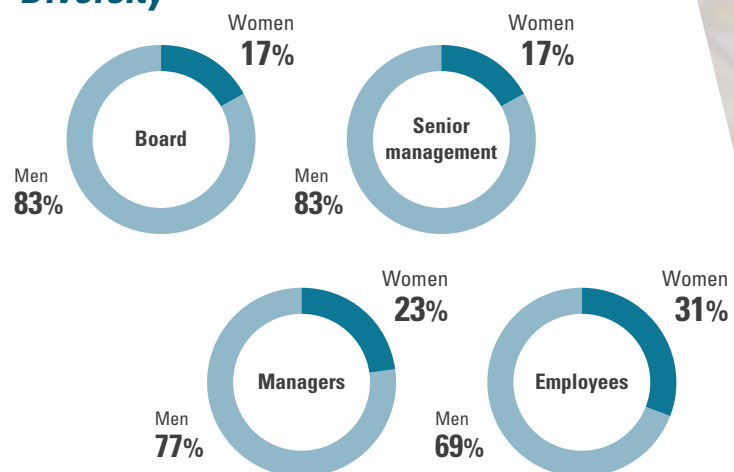


¹ Employees and contractors

Our Approach to Sustainability | Rewarding Workplace

To further keep employees engaged and aware of developments within IPC, we hold regular global townhall meetings, during which employees can ask questions, share feedback with management and achieve a sense of belonging. As part of our Sustainability Strategy for 2022, in Canada, where the majority of our staff are located, we are planning to launch a quarterly newsletter that highlights some of the great work that IPC undertakes within the communities where we operate. While our teams exercised caution in the face of COVID-19 through 2020 and 2021, and maintained social distancing, in 2022 our various regional offices have resumed holding social gatherings and events offering further opportunities for bonding and team unity. We recognize the importance of social interactions and in-person connections as many people were affected by a restricted sense of community and feeling of isolation due to the pandemic.

Gender Diversity



Our Approach to Sustainability | Rewarding Workplace

The Global Vision & Values Initiative to Foster a Rewarding Workplace

As an organization that brings together diverse groups of individuals working in several countries around the world, we believe it is critical to regularly engage our teams to promote alignment. That is why, in 2021, the full IPC team was asked to complete a survey gathering information on each individual's view of our overarching sustainability strategy and direction. With the results of the survey in hand, we listened to the team's feedback and launched an initiative to strengthen IPC's unified global identity with a set of renewed corporate Vision and Values.

The Company worked closely with various internal focus groups and external corporate culture experts, collaborating across several workshop events to create the central corporate vision and values we are proud to follow today. In addition to creating a new Sustainability Strategy, we also launched an engagement questionnaire allowing team members to assess their alignment with our new global vision, identifying gaps we needed to close and creating new workplace culture targets.

Our Vision

We are an entrepreneurial value-driven team bringing energy to the world in a sustainable way

Our Core Values



Excellence



Respect



Resilience

For the full outline and description of our new Vision and Values, see the Who We Are page of IPC's website. We are very pleased with how the new strategy unites all of our employees in Canada, France, Malaysia and Switzerland with the goal of ensuring our teams have an improved sense of cohesive belonging, acting with one common purpose regardless of the inherent geographic limitations.

"Our new Vision and Values were not just made from words picked from anywhere – they are the result of many discussions, workshops, and focus group sessions. These values come from within IPC."

Mike Nicholson
Chief Executive Officer



Our Approach to Sustainability | Health and Safety

We aim for zero accidents and strive to foster a culture of well-being.

Our Safety Culture

At IPC, the health and safety of our people is always our top priority. We aim for zero accidents and strive to foster a culture of well-being. We require all team members to adhere to the same ethical and safety standards, enabling our workforce to be their best and contribute their best whether it be in the field, the office or at home. Employees and contractors are responsible not only for their own safety, but also the safety of those around them, and everyone at IPC is empowered with the right and the responsibility to refuse work that is deemed to be unsafe. Above all, we are focused on making sure that everyone who works for IPC returns home safely at the end of their day.

Prioritizing the health and safety of our people is an essential part of IPC's corporate DNA, integrated within all levels of decision making, plans and execution. Members of our field operations team hold regular safety meetings, including participation from senior leadership, during which staff share safety moments that include both successes and learnings. Practices such as daily reports and 'toolbox talks', form part of the day-to-day integration of safety planning and execution throughout IPC.

Maintaining a strong safety culture not only contributes to the continued well-being of our people, but it also contributes to ongoing operational excellence and financial performance. By preventing or mitigating the risk of accidents and occupational illnesses, IPC provides a rewarding and less stressful work environment that saves time, improves quality, and enhances worker engagement – all of which drives greater profitability. Investing in health, safety and accident prevention translates into reduced insurance costs, limited expenses related to absenteeism and a more positive public perception about the Company. Studies have shown with every dollar invested in employee safety and security, the savings to society are between three and five times greater.

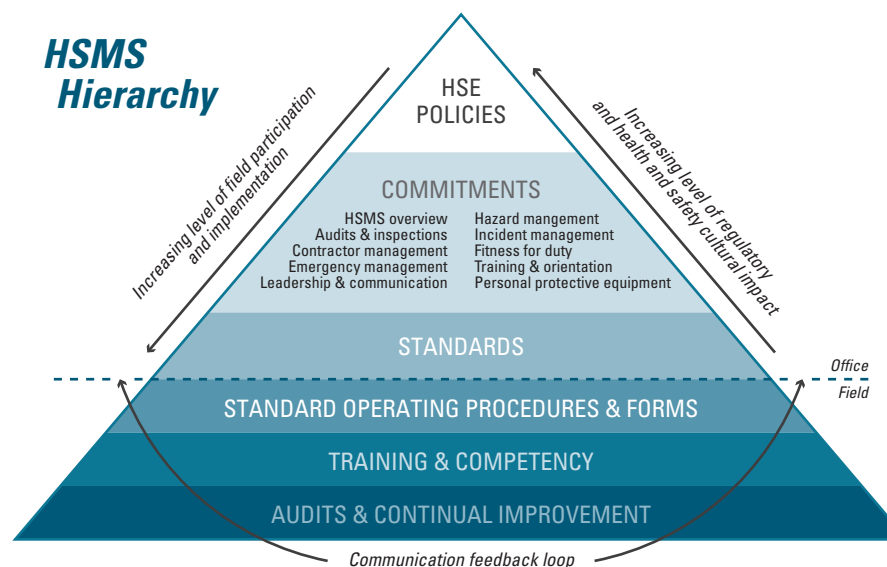
- *Strive towards a goal of zero harm to people*
- *Continuously reinforce our safety culture by sharing assets learnings, challenges, and best practices towards a H&S culture*



Management Approach to Health & Safety

IPC is recognized for our strong health and safety hierarchy and associated management systems which guide our approach and behaviours and are aligned with international best practices. Together, these form the pillars on which the Company can ensure continued safe operations across each of our geographically diverse regions while helping our teams meet or exceed baseline regulations and guidelines for keeping people safe.

The hierarchy below demonstrates our robust Health & Safety Management System (HSMS) structure that is applied anywhere IPC is an operator. Underscoring the application of our HSMS is continuous improvement through implementation of audit findings and recommendations as well as feedback received from employees and contractors.



Our Approach to Sustainability | Health and Safety

Occupational Health

Occupational health and maintaining pristine industrial working conditions are an integral part of our HSMS. IPC provides regular and extensive training opportunities and involve staff in the development of procedures and safe practices to ensure buy-in and enhance competence. As a core determinant of our success, IPC directs significant time and resources to ongoing training, with over 9,100 hours logged specifically for health & safety training in 2021 alone. We also have rigorous measures and procedures in place regarding Personal Protective Equipment (PPE) selection and storage, and IPC continuously monitors and controls exposure to chemical, biological, physical and ergonomic risks across all of our sites. We conduct regular health assessments and fitness-for-work examinations, which include hearing tests, respiratory evaluations and workplace drug and alcohol screens.

In addition to promoting our team's physical health, IPC recognizes the importance of mental health and seeks to raise awareness about mental health-related issues through campaigns or information sessions. We also have mental health support systems incorporated into the health benefit and insurance plans provided for employees.

Emergency Preparedness

We design and operate our facilities to ensure controls are in place to prevent and manage spills and releases in our operations. As a member of the Oil Spill Response Limited (OSRL), we are able to access and utilize leading industry emergency response capabilities.

IPC has implemented the following to prevent incidents from occurring:

- controlled spill prevention processes and procedures
- regular training and simulated emergency exercises
- asset reliability and integrity monitoring programs
- robust equipment inspection procedures
- appropriately vetted contractors

All of these elements, combined with careful planning and risk assessment, reduce the probability that a spill or release will occur. If an incident does take place, mitigating and remedial actions are immediately implemented to minimize risk to the environment and people, while also reducing the chance of recurrence. Any event is recorded and investigated to determine the root cause. We also share best practices and report on our learnings to increase awareness and mitigate the risk of future incidents.

Health & Safety Highlights by Region

Canada



- Prioritize and spend substantial time training: 7,000 hours in health & safety training alone
- Maintain standard operating practices with accompanying policies such as fit for duty, HSE, respectful workplace
- Constant auditing and continuous improvement on health & safety gives feedback loop; significant audit from Alberta government happens every 3 years – 94% scored in 2021

France



- IPC's safety culture protects workers and contractors from the risks of accidents or occupational illness
- Major accident prevention policy (PPAM) in place developed through the Safety Management System
- H&S Committee (CSST) comprised of employees from various departments and sites helps to improve employee feedback, analyze events and proposes HSE improvement actions to prevent incidents

Malaysia



- 6+ years LTI free (4.2 million hours worked as of April 2022)
- No operational impact due to Covid-19 with robust health controls in place
- Winner of 17 Malaysian industry awards between 2017-2022, including the 2021 HSSE Excellence Award

Our Approach to Sustainability | Health and Safety

Safety in Action: Never Alone at IPC

In some of IPC's more remote locations, workers and contractors find themselves accessing isolated operational sites, which increases safety risks in the event of an incident. In response, IPC implemented a standard work alone management system that was rolled out for all staff. This new system, featuring enhanced technology, provides a single device capable of monitoring lone worker safety. Further, during trials of the devices, workers found they had better connectivity and realized improved accuracy for detecting hazardous atmospheres.

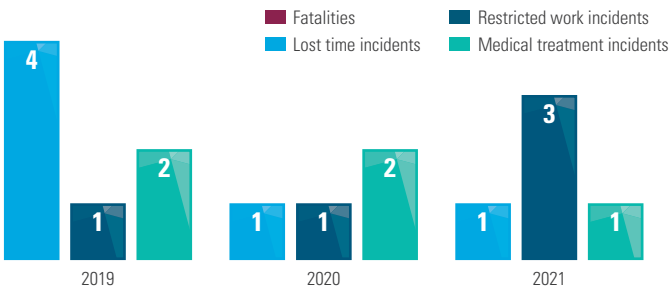
A Safe Place to Work

In 2021, IPC's Malaysian operations team successfully achieved another significant milestone by hitting the six year mark without recording a lost-time incident (LTI). This represents nearly 2,200 days free of incident while delivering over 99% facility uptime over that period. Our onshore and offshore team members successfully navigated routine challenges such as adverse weather conditions and COVID restrictions, while also completing numerous high-risk activities, such as major and minor shutdowns, multiple underwater campaigns, confined space entries (such as tanks and pressure vessels), and red hot work activities including those conducted from within confined space tanks.

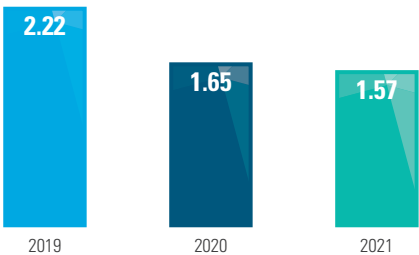
Training for a Safe and Healthy Work Environment

For IPC, health and safety training is a priority and one of the largest components on the base of our HSMS pyramid. Our established standard operating procedures (SOPs) for the field and office trickle down to inform tools and training, which bolster and enhance the organization's stability. In 2021, our people invested more than 9,100 hours in health & safety training, which was supported by a continuous improvement feedback loop, ensuring information and data flows back up to inform changes that may be needed to our policies, commitments or standards. In addition, IPC team members performed nearly 900 audits and over 19,000 site, tanks and regulatory inspections during 2021. We believe these metrics provide a very strong tool to demonstrate how seriously we take the health and safety of our most valuable asset: our people.

Health & Safety Incidents

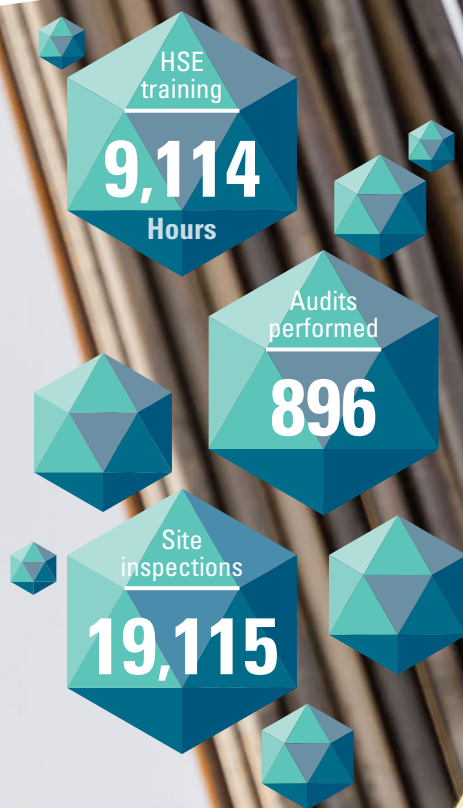


Exposure Hours (million manhours)



Our Approach to Sustainability | Health and Safety

Health & Safety Highlights



Our Approach to Sustainability | Community Engagement

IPC's community engagement strategy is structured to foster ongoing sustainable development of neighbouring communities.

Through active engagement with stakeholders, our goal is to build trust and confidence in how IPC contributes to sustainable economic development in local communities and around the world. Supported by a strong financial foundation, IPC remains committed to positively contributing to each community's social and economic sustainability.

Stakeholder Engagement

IPC operates in three different countries, each with unique and diverse cultures, languages, landscapes and levels of economic development. We tailor our engagement approach to each unique operational setting, ensuring we respect and consider the rights, concerns and traditional land uses of nearby communities. Through inclusive dialogue, we develop long-term relationships built on trust and mutual understanding, supporting our social license to operate.

Going above and beyond compliance, through active engagement, we aim to find operational synergies between local community needs and social impact investments. In 2021, IPC made meaningful contributions to the various organizations (see page 21).

As part of our ongoing efforts to engage, listen and understand what is important to our employees, IPC encourages employees' charitable and community support initiatives. We strongly encourage employees to be active in giving back to their communities, and we strive to demonstrate alignment with our teams, and ensure all team members feel valued and supported by IPC.

The IPC Canada employees showed their priorities by raising funds and participating in November, an annual event involving the growing of moustaches during the month of November that aims to raise awareness about issues affecting men such as prostate cancer, testicular cancer and suicide.

- *Develop IPC's company-wide community engagement and impact strategy*
- *Conduct human rights risks or impact assessments across all of our operations*



Indigenous Communities

Engaging and working with communities is a priority for IPC. We recognize and respect indigenous rights according to the United Nations Declaration on the Rights of Indigenous Peoples and comply with all applicable legislation to ensure free, prior, and informed consent (FPIC). Through our projects, we promote indigenous communities' development, preservation, and cultural heritage near our operations.

Onion Lake Cree Nation – Partners in Success

Straddling the border between Saskatchewan and Alberta in the heart of Canada's Treaty Six Territory, IPC's thermal oil project is situated squarely on Onion Lake Cree Nation (OLCN) owned lands. From the onset of the IPC's thermal and primary projects, IPC and OLCN recognized an opportunity for both groups to work together to optimize the responsible use of local lands, create synergies, and generate employment opportunities. It was from there that an ongoing partnership was launched which continues to benefit both groups today from an environmental, economic, and social perspective.

As one of our key stakeholders, the OLCN is consulted at each stage throughout the development of our projects. A Joint Management Action Committee (JMAC) comprised of representatives from IPC, local business owners and community leaders meets monthly to discuss the prioritization of hiring local OLCN-owned businesses when IPC engages third-party contractors for work on or around OLCN lands. In addition, IPC consults with OLCN business leaders to discuss the potential development of new, in-demand services, training and education opportunities and to review operations and challenges where IPC could offer support. The JMAC has evolved over time particularly given the entrepreneurial outlook of the Nation with a focus on increasing the socio-economic status of its Band members giving rise to the creation of new businesses and opportunities.

Our Approach to Sustainability | Community Engagement

HALO Air Ambulance

- Ensuring the safety of our field staff and public by supporting vital emergency medevac services for southern Alberta

United Way of Southern Alberta

- Supporting mental health programs which service the southeastern Alberta community. "We had 3,250 individual mental health interventions and 1,275 families helped by IPC Canada's partnership with United Way."
— Missy Fandrick, Executive Director United Way South Eastern Alberta

United Way Lloydminster

- Supporting mental health and counselling programs which service the Lloydminster and surrounding communities

Onion Lake Cree Nation

- Supporting programs which provide assistance to band members within the Onion Lake community such as the Onion Lake Education Trust Fund, Onion Lake Food Bank and the annual OLCN Turkey Food Drive



Our Approach to Sustainability | Community Engagement

~17 MCAD spend by IPC on OLCN-owned businesses in 2021

79 Band Members employed by OLCN-owned businesses working with IPC

IPC and OLCN are further jointly partnered in the operations with OLCN owning the royalty rights and in some cases, a working interest in the project. Together, the royalties and working interest payments represent a meaningful source of income for the community, providing economic benefit and sustained economic growth for OLCN.

In 2022, IPC and OLCN will have achieved a major milestone related to the Onion Lake Thermal project whereby the project will have reached payout, defined as recovery of invested funds. This results in an increase in royalties payable to OLCN which increases the financial strength and capabilities of the Nation.

We are proud of our ongoing partnership with OLCN and are committed to supporting programs that benefit the Nation in the long-term. A few of our 2021 initiatives are presented below:

- Financial support to the Onion Lake Foodbank to assist individuals and families in need
- Contribution to OLCN Turkey Food Drive
- Sponsorship of the Onion Lake Business Development Corporation charity golf tournament
- Participation in the OLCN Rodeo Day
- Post-Secondary Student Scholarships for the Onion Lake Education Trust Fund
- IPC team members attended the OLCN Pow Wow
- Donation to the OLCN Missing and Murdered Women Memorial
- Support Nation's freshwater supply through maintenance of infrastructure

We will continue to engage with the OLCN and other First Nations and Métis communities, with an approach of respect, openness and transparency.



Our Approach to Sustainability | Community Engagement

Human Rights

As an international operator, IPC is sensitive to the importance of protecting and preserving human rights, especially since standards and practices can differ between countries. We work to avoid infringing on the rights of individuals and remedy any issues that may occur as a result of our activities. IPC's approach to zero human right violations applies to all of our business activities and extends across our business relationships.

We achieve this in several different ways, including promoting a culture of open and honest dialogue with stakeholders, reviewing and confirming our vendors have human rights requirements within their own policies, and ongoing efforts at IPC to align our practices with the United Nations Guiding Principles on Business and Human Rights (UNGPs). In order to capture and track community and human rights grievances, inquiries and comments, we have developed and implemented community feedback mechanisms.

These feedback mechanisms are designed and rolled-out across our operations and enable IPC to ensure we respect, protect and promote internationally-recognized human rights wherever we operate, avoid infringing on individuals' rights, be complicit or contribute directly or indirectly to human rights abuses. As a responsible company striving for excellence, IPC will promote best practices and aim to have a positive influence on the conduct of others.



Our Approach to Sustainability | Climate Action

As a responsible energy producer, IPC believes that we can best deliver long-term shareholder value by operating in an economically, environmentally and socially sustainable manner.

We are focused on responsibly producing oil and natural gas essential to support the world's need for accessible and affordable energy, and we share global concerns about climate change, recognizing that it is a complex challenge of increasing importance for our stakeholders. As such, IPC has prioritized ongoing efforts to mitigate the effects of hydrocarbon extraction, including keeping a sharp focus on reducing our greenhouse gas (GHG) emissions intensity. This is demonstrated by the commitment we made in 2020 to reduce our scope 1 net emissions intensity by 50% over the following five years, through both identifying and implementing operational emissions reduction initiatives as well as investing in carbon offsetting projects, described further in this section.

In addition to our tactical efforts to reduce the climate impact of our operations, we also integrate climate risk considerations into our strategic planning process. Our climate strategy helps us mitigate risks to IPC's business associated with climate and informs our approach against the backdrop of a changing industry and evolving society. IPC will continue to undertake activities that help minimize, lower or offset emissions, while being careful to avoid sacrificing the economic viability of our development activities.

In support of this approach, in 2021 we made the commitment to respond to, and align with, the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD). In the following section we describe our work to align to the TCFD.

- Committed to reduce scope 1 net emissions intensity by 50% by 2025
- Continue alignment with TCFD recommendations on climate related risks & opportunities



What is TCFD?

The Task Force for Climate-related Financial Disclosures (TCFD) was established in 2015 by the Financial Stability Board (FSB), and their recommendations are used by companies to align their climate related financial disclosure with a consistent global standard. The FSB is an international body that monitors and makes recommendations about the global financial system. It was established after the G20 London summit in April 2009. The Board includes all G20 major economies, FSB members, and the European Commission.

TCFD Pillars



Our Approach to Sustainability | Climate Action

Responding to the Recommendations of the TCFD

In 2017, the Task Force on Climate-related Financial Disclosures (TCFD) published a set of recommendations designed to support businesses in reporting and managing climate-related risks. IPC recognizes the effects that climate change will have on our planet, economy, and stakeholders and is committed to aligning with the recommendations of the TCFD.

IPC recognizes the growing importance of the TCFD to better inform stakeholders and the investor community and made the commitment in 2021 to respond to and align with the recommendations of the TCFD. What follows is a summary of IPC's efforts to align with the recommendations of the TCFD under each of the pillars of governance, strategy, risk management, and metrics and targets. Please note that governance considerations have been captured under the Ethics and Integrity section at pages 10-12.

The activities undertaken in 2021 were a first step in a longer journey to align more with the recommendations of the TCFD.

Strategy

The purpose of the Strategy Pillar is to disclose the actual and potential impacts of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning where such information is material.

Climate-related Risks and Opportunities

A thorough understanding of the physical and transition climate risks most relevant to IPC is critical to our success, and our ability to create value for our stakeholders going forward.

Through our work on TCFD we recognized the importance of developing a more detailed and nuanced understanding of climate risks in 2021. To this end, IPC partnered with the Lundin Foundation to undergo a comprehensive exercise to identify the climate risks that are most relevant to IPC, through engaging with core internal stakeholders from across our business. This process involved a series of interviews with operations-level personnel in each of our operating regions, workshops with a representative group of functional leads, and culminated with validation sessions with senior management and our Board. The outcome of this process was a detailed listing of climate risks, mapped to each of our assets.

The following is a summary of physical and transition risk identified.

Risk description	Risk details	Mitigations in place
<i>Risk type: physical risk</i>		
Extreme variability in weather patterns: precipitation, droughts, sea level, water stress	Variability in weather patterns, especially an increase in water stress can affect or disrupt operations and increase operating costs via water pricing.	We support and invest in technological advancements or infrastructure changes that reduce reliance on water or increase recycling rates.
Increased likelihood and severity of wildfires	Wildfires can cause operational disruptions and lead to loss of production income. Damage to infrastructure increases capital costs. Areas at high risk of wildfires face increased insurance premiums.	Our operations contain fire break/stop gap systems and are built with as much fire resistant material as possible.
Climate-related supply chain disruptions	Disruption to supply chain due to climate change related events can result in operational downtime if key inputs cannot be secured. Delays can also result in reduced revenue from decreased production capacity.	We keep sufficient critical spares at all facilities (with the option to expand stores) and have the ability to continue operations with reduced inputs at a lower efficiency.
<i>Risk type: transition risk</i>		
Increasing carbon prices	Increasing carbon prices impact our operating expenditures at all sites. This impact will grow as carbon prices increase in the coming years and could lead to asset impairment and early retirement of assets as the worst outcome.	We are actively undertaking activities to reduce our emissions at all sites and have an organization wide carbon reduction target in place. All material costs are modelled in assets (including carbon costs) and we include higher future carbon pricing projections in our internal modelling.
Award and renewal of licenses and emerging regulation	Increased scrutiny of applications for licenses, permits and authorizations to develop assets and projects can delay, limit or prevent future development of assets or affect the productivity of assets and the costs associated. Increasing the administrative burden of applications could significantly increase the time and resources devoted to the process.	We have an ongoing engagement with the Government authorities.
Stigmatization of O&G industry	Reputational concerns can impact financial performance, company valuation, talent attraction and retention and achievement of social license to operate through increased stakeholder concerns about the contribution of the fossil fuel industry to climate change.	We have a strong focus on stakeholder engagement and community development. We are in a continual process to align our reporting with the TCFD to more transparently report on our climate-related issues.

Our Approach to Sustainability | Climate Action

Impact of Climate-related Risks and Opportunities on Our Strategy and Financial Planning

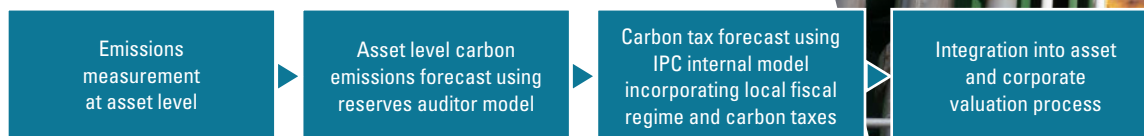
As we have developed a better understanding of our climate risks and opportunities, IPC has begun to integrate climate considerations into our strategic and financial decision-making processes.

IPC is more extensively integrating carbon considerations into our internal and external processes, including our internal asset valuations and external mergers and acquisitions evaluations. This has primarily been done through a bottom up approach using carbon tax emissions forecast and valuation models developed for this purpose, as shown in the carbon emissions and valuation process. The models allow IPC to forecast future carbon tax impact on an asset and corporate level. Our Canadian assets are the initial focus of this process as they have the highest emissions and potential impact. However, the climate risk process undertaken in 2021 has facilitated continual awareness around climate risks across IPC. These risks and the effects of future carbon pricing are now integrated into valuation activities across our geographies.

We are also integrating climate considerations into organizational decision-making through our governance structures. Please see pages 10-12 for more information.

This is a detailed starting point for better integrating climate considerations into our strategy and financial planning. We will continue in the coming months and years to build out and enhance these mechanisms to give climate appropriate consideration in our core corporate strategy planning processes.

Carbon Emissions and Valuation



Our Approach to Sustainability | Climate Action

Scenario Analysis and Our Climate Resilience

To better understand the climate resilience of IPC's business model, in 2021 we began our first climate scenario analysis exercise. This was a collaborative process co-led by our Economics and Sustainability teams, with oversight from senior management. The following analysis uses IPC's audited 2021 year end 2P reserves figures and the corresponding net present value (NPV) of those 2P reserves as a basis for comparison. The comparative scenarios use the International Energy Agency's (IEA) World Energy Outlook scenarios from 2030 to analyze sensitivities on price and carbon tax. IPC focused on three scenarios to frame our analysis, representing a range of impacts, focusing primarily on transition risks (see table below).

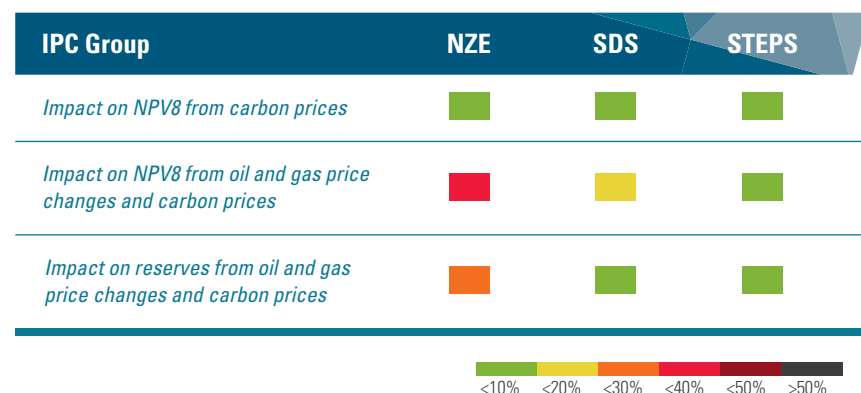
The analysis was conducted using IPC's year end reserves models with the appropriate fiscal and carbon tax regime by country and applying the carbon emissions and valuation process to estimate the financial and reserves impact of each IEA scenario. IEA's forecast pricing and carbon tax estimates were integrated using reserves pricing as a base, and linear interpolation up to the 2030 starting point, and subsequently to 2040 and beyond. Where appropriate, cost inflation was applied as per the reserves auditor's price decks as at 2021 year end.

Scenario	Description						
<i>Net Zero Emissions by 2050 (NZE)</i>	<p>The NZE scenario shows a narrow but achievable pathway for the global energy sector to achieve net zero CO₂ emissions by 2050, with advanced economies reaching net zero emissions in advance of others. This scenario also meets key UN Sustainable Development Goals (SDGs), in particular achieving universal energy access by 2030 and major improvements in air quality. It is consistent with limiting global temperature rise to 1.5 °C.</p> <p>IPC uses this scenario as the most ambitious scenario with its very low oil price projection.</p> <table><tr><td>Oil price (USD/bbl)</td><td>2030: 36 USD / 2050: 24 USD</td></tr><tr><td>Carbon price (USD/tonne CO₂)</td><td>2030: 130 USD / 2050: 250 USD (for advanced economies)</td></tr><tr><td></td><td>2030: 15 USD / 2050: 55 USD (for developing economies)</td></tr></table>	Oil price (USD/bbl)	2030: 36 USD / 2050: 24 USD	Carbon price (USD/tonne CO ₂)	2030: 130 USD / 2050: 250 USD (for advanced economies)		2030: 15 USD / 2050: 55 USD (for developing economies)
Oil price (USD/bbl)	2030: 36 USD / 2050: 24 USD						
Carbon price (USD/tonne CO ₂)	2030: 130 USD / 2050: 250 USD (for advanced economies)						
	2030: 15 USD / 2050: 55 USD (for developing economies)						
<i>Sustainable Development Scenario (SDS)</i>	<p>The SDS scenario represents a "well below 2 °C" pathway targeted by the Paris Agreement. Like the NZE, the SDS is based on a surge in clean energy policies and investment that puts the energy system on track for key SDGs. In this scenario, all current net zero pledges are achieved in full and there are extensive efforts to realize near-term emissions reductions; advanced economies reach net zero emissions by 2050.</p> <p>The SDS was selected as a mid-case scenario for IPC. It includes all regions with net zero pledges as per the Announced Pledges Scenario (APS). IPC decided not to use the IEA's APS scenario in our analysis due to the similarity with the SDS scenario.</p> <table><tr><td>Oil price (USD/bbl)</td><td>2030: 56 USD / 2050: 50 USD</td></tr><tr><td>Carbon price (USD/tonne CO₂)</td><td>2030: 120 USD / 2050: 200 USD (for advanced economies with net zero pledges)</td></tr><tr><td></td><td>2030: 0 USD / 2050: 95 USD (for developing economies)</td></tr></table>	Oil price (USD/bbl)	2030: 56 USD / 2050: 50 USD	Carbon price (USD/tonne CO ₂)	2030: 120 USD / 2050: 200 USD (for advanced economies with net zero pledges)		2030: 0 USD / 2050: 95 USD (for developing economies)
Oil price (USD/bbl)	2030: 56 USD / 2050: 50 USD						
Carbon price (USD/tonne CO ₂)	2030: 120 USD / 2050: 200 USD (for advanced economies with net zero pledges)						
	2030: 0 USD / 2050: 95 USD (for developing economies)						
<i>Stated Policies Scenario (STEPS)</i>	<p>The STEPS scenario provides a more conservative benchmark for the future, as it does not take for granted that governments will reach all announced goals. STEPS explores where the energy system might go without major additional steer from policy makers. It is not designed to achieve a particular outcome.</p> <p>IPC uses this scenario as a status quo scenario from a physical climate risk perspective, and a least impactful case for transition risks.</p> <table><tr><td>Oil price (USD/bbl)</td><td>2030: 77 USD / 2050: 88 USD</td></tr><tr><td>Carbon price (USD/tonne CO₂)</td><td>2030: 55-65 USD / 2050: 200 USD (for advanced economies)</td></tr></table>	Oil price (USD/bbl)	2030: 77 USD / 2050: 88 USD	Carbon price (USD/tonne CO ₂)	2030: 55-65 USD / 2050: 200 USD (for advanced economies)		
Oil price (USD/bbl)	2030: 77 USD / 2050: 88 USD						
Carbon price (USD/tonne CO ₂)	2030: 55-65 USD / 2050: 200 USD (for advanced economies)						



Our Approach to Sustainability | Climate Action

The table below shows three levels of valuation, firstly isolating the impact on NPV of just the carbon tax forecasts in the IEA scenarios, secondly of using both the carbon tax forecasts and the oil and gas pricing scenarios and analyzing the impact on NPV, and thirdly the impact on 2P reserves numbers.



In all three scenarios, there was limited (less than 10%) impact on IPC's 2021 year end reserves NPV8 of USD 2.5 billion using IEA carbon tax forecasts. This is predominantly because Canada has the highest level of carbon emissions and already has a carbon tax that is included in IPC's audited reserves model which is similar to the highest level of carbon tax in the IEA scenarios. The predominant impact on IPC value is therefore related to hydrocarbon pricing in the IEA scenarios. Compared to IPC's 2021 year end reserves NPV, the STEPS scenario shows an increase as the reserves auditor's price deck as at 2021 year end was lower than the price level in that scenario. The SDS scenario shows a moderate decrease in value at less than 20%. The lowest price deck (NZE scenario) had the highest impact, although this was still less than 40% at the IEA real oil price scenario of 36 USD/bbl in 2030 and 24 USD/bbl in 2050.

IPC will continue to balance the results of our scenario analysis against ongoing short-term developments that may impact our long-term assumptions. The repercussions of the unfortunate war in Ukraine, for example, have highlighted how current energy security needs impact the energy transition assumptions of these scenarios, at least in the short term. As we complete this phase of analysis, we will conclude on the specific forecast impacts of these scenarios to our business, and the mitigation we have in place to ensure our resiliency going forward.

Risk Management

The purpose of the Risk Management Pillar is to disclose how the organization identifies, assesses, and manages climate-related risks.

Identifying, Assessing, and Managing Climate-related Risks

As part of IPC's robust risk management practice, we conduct bi-annual risk reviews at the regional and Corporate level. The objective of our risk management framework is to identify, understand and manage threats and opportunities within our business on a continual basis. By ensuring that risks are assessed, reviewed, and communicated, management is given a necessary input into decisions to allocate resources.

Country General Managers are responsible for identifying and communicating principal country-specific risks. This process includes consideration of consequences and probability, as well as mitigation and control measures. Country-level risks and opportunities are reported to the corporate level where the Executive Committee reviews and discussed principle country and corporate risks, as Senior Management is ultimately responsible for ensuring these risks are managed.

The impacts of climate change and carbon pricing are key principal risks for IPC. It is through our risk management framework that these risks were identified and the decision was made to better understand these risks at a geographic and asset level.

IPC continually monitors existing and emerging regulatory requirements related to climate. Climate change regulation at international, national and regional levels has the potential to significantly affect the regulatory environment of the oil and natural gas industry where we operate. As countries aim to fulfill their commitments under the Paris Agreement, corresponding regulatory changes could have a material impact on IPC's operations and cash flow from operating activities.

Our Approach to Sustainability | Climate Action

Metrics and Targets

The purpose of the Metrics and Targets Pillar is to disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material.

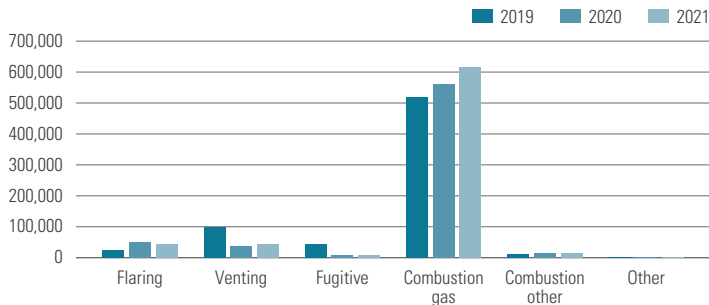
Our Commitment to Reducing Operational Emissions

A key objective of IPC's climate action is to mitigate the carbon footprint of our business by reducing emissions. We approach this through a combination of initiatives designed to identify and implement operational emissions reductions, as well as investing in carbon offsetting projects. Given the relevance and degree of importance for stakeholders, we have provided IPC's air-related environmental topics within this section, with descriptions, metrics and targets outlined below.

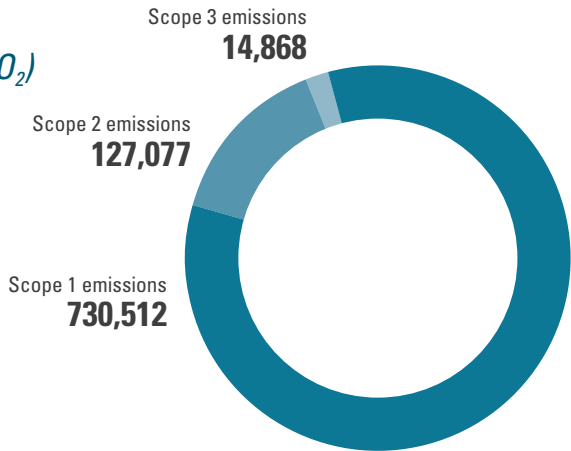
IPC maintains an emissions inventory and identifies emission sources across each of our operated assets in-line with the GHG Protocol. The reporting boundaries applied reflect operational control and enable IPC to account for 100% of emissions from the Company's operated assets. We seek to limit GHG emissions and optimize natural resource use where operationally possible. Further, IPC remains committed to applying the Best Available Technique (BAT) principle and to operating our facilities with enhanced efficiency.

For quality assurance, we conducted voluntary third-party verification in 2021 of our GHG Scope 1 and Scope 2 emissions accounting and reporting in our operating regions and integrated the findings, although no material gaps had been identified in our 2021 reporting.

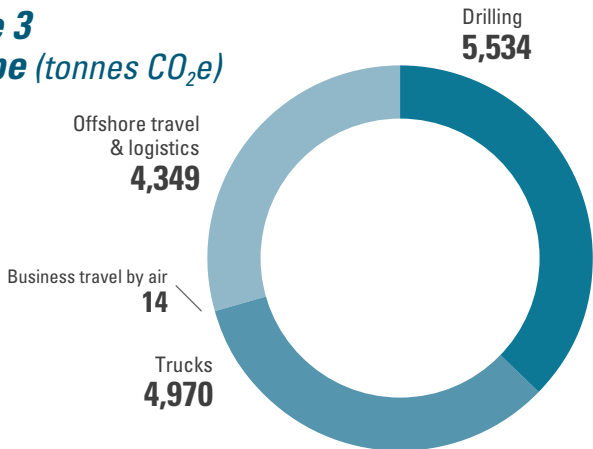
2021 Scope 1 Emissions by Source (tonnes CO₂e)



2021 Emissions by Scope (tonnes CO₂)



Operational Scope 3 Emissions by Type (tonnes CO₂e)



Our Approach to Sustainability | Climate Action

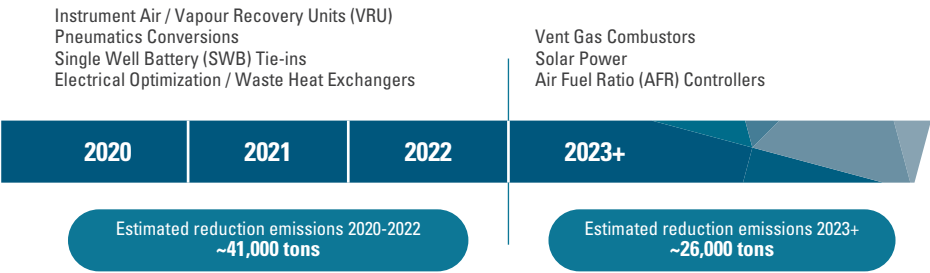
Scope 1, 2, and 3 GHG Emissions and Targets

To continue to implement a climate strategy that effectively evaluates costs, risks and opportunities, IPC must have a clear understanding of its carbon footprint. We have therefore developed a reporting approach that includes mandatory and voluntary reporting requirements to track our GHG emissions and measure performance on an annual basis. We maintain an emissions inventory and identify emission sources for each asset we operate in line with the GHG Protocol. The reporting boundaries applied reflect operational control, and we account for 100% of emissions from operated assets.

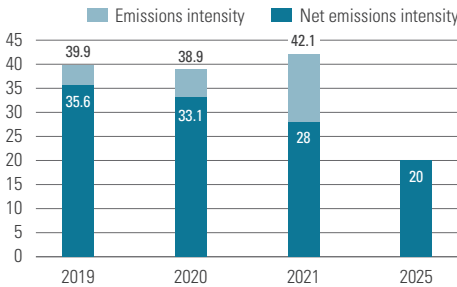
IPC's scope 1, 2, and 3 emissions for 2021 are 730,512, 127,077 and 14,868 tonnes CO₂e, respectively. Emission increase between 2020 and 2021 is predominantly due to increase in activity post Covid-19. IPC is committed to continually advancing towards our emissions reductions target of reducing scope 1 net emissions intensity by 50% by 2025, from a 2019 baseline. IPC is on track to meet this target combining its efforts to reduce operational emissions and engaging in carbon offsetting.

In 2019, IPC's baseline scope 1 emissions intensity was 39.9 kg CO₂e/boe, which decreased to a net emissions intensity of 28 kg CO₂e/boe in 2021. This 30% reduction from the 2019 baseline, contributes to our corporate target of 20 kg CO₂e/boe from 2020 to 2025 which represents a reduction of 50% over the five-year period.

Operational Emission Reduction Initiatives



Net Emission Reduction Target (kg CO₂e/boe)



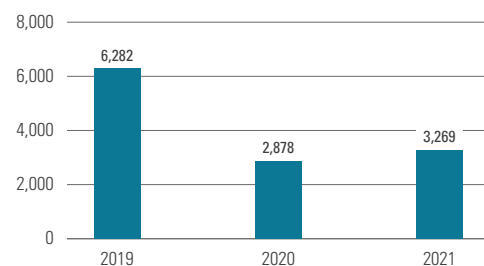
Methane Reduction

Methane emissions are a global challenge for oil & gas producers. IPC recognizes its responsibility to continue addressing emissions reductions in our operations in order to meet regulatory requirements and remain a credible operator. We have reduced our methane emissions by more than 50% from a 2019 baseline through the implementation of initiatives to retrofit and upgrade older equipment. Specific initiatives include:

- Converting pneumatic instruments from high bleed to low bleed, or to instrument air
- Fitting various pieces of equipment with engine fuel management and vent gas capture technologies

Our Approach to Sustainability | Climate Action

Methane Emission Reduction (tonnes CH₄)



In recognition of its low methane emissions intensity operational performance, IPC Canada became the first Canadian oil and gas producer to successfully transact methane performance certificates (MPC) in the North American market on the Xpansiv platform. IPC's Alberta natural gas production measurement was substantiated through data compilation conducted by Validere, an independent third party, via its Carbon Hub software. This confirmed that IPC's gas production is:

- ~7x better than the North American average at limiting methane emissions per molecule produced
- ~25x better than the Global average at limiting methane emissions per molecule produced

Based on this measurement, we now have a marketable product that creates economic reward for our outstanding performance on this metric and an economic incentive for us to continue to innovate and improve upon it.



Our Approach to Sustainability | Climate Action

Emulsion Single-well Batteries Tie-ins at CFB Suffield

IPC understands that impacts related to greenhouse gas (GHG) emissions are of increasing importance for society and all of our stakeholders, and that it is our responsibility to do whatever we can to mitigate these effects. In our ongoing operations, we strive to minimize exhaust from engines, including motor vehicles, along with gas flaring as those activities typically represent significant sources of CO₂ emissions.

One of the many initiatives IPC has undertaken to reduce emissions is a commitment to tie-in 12 single-well batteries into our existing pipeline infrastructure at our Suffield area in Canada, eliminating both the need for trucking oil and venting of the associated solution gas. This project aligns very well with goals identified within two areas of our sustainability framework: health & safety and climate action.

Health & Safety	Climate Action
By tying in these wells, IPC is able to reduce reliance on regular trucking, which helps to mitigate against the potential for a spill or a personal safety incident on the road. In addition, venting of emissions to the air poses a higher risk to people in terms of health impacts as well as safety. These tie-ins eliminate potential exposure to this increased risk.	IPC is committed to making positive contributions towards achieving the Company's stated commitment of reducing our worldwide emissions intensity by ~50% over a five-year period. This tie-in project effectively allows all vented gas, which is primarily composed of methane, to be routed into existing pipeline infrastructure rather than released into the air, where it can be processed and sold along with other produced gas.

Collecting gas and rerouting it into pipelines rather than venting and flaring is a well-established environmental and socially positive practice. The tie-ins have allowed IPC to manage production rates from wells more effectively without typical constraints associated with regulatory restrictions on venting, which can impede production increases without wells being tied-in. Further, this project has a positive economic impact with 58 full-time individuals and 18 contractors employed by IPC, and the tie-ins do not increase the draw on electric or gas-powered facilities; they actually help to optimize facility capacity. We also recognize this project addresses multiple, and sometimes conflicting, land uses at CFB Suffield by replacing above ground infrastructure with underground pipelines.

10,872 tonnes of CO₂e/year expected to be reduced at Suffield related to this project

IPC believes this project is based on sound and proven technology that will provide emissions reductions into the future, while also meeting the intent of the Emissions Management and Climate Resilience Act.

Carbon Offsetting Contributes to a Lower Emission Future

As part of our ongoing commitment to reducing emissions and providing transparency around our initiatives, IPC consistently reports on our active participation in carbon offset generation and the carbon markets. But how does carbon offsetting work and why is it important? The process of carbon offsetting can be pursued both voluntarily and as a means to comply with regulatory standards. An individual or company is able to acquire carbon offset certificates proving the removal or abatement of carbon emissions from the atmosphere.

As an international oil and gas exploration and production company, we recognize that the generation of GHG emissions can be unavoidable and therefore carbon offsetting is essential to our climate strategy. It allows IPC to offset our emissions by making a positive contribution to environmentally and socially beneficial projects worldwide. The carbon credit generation on the voluntary market is regulated by international standards and certified through recognized certification agencies such as the Verra Standard and the Gold Standard. In addition to reducing or avoiding emissions, the certified projects also contribute to additional economic, social and healthcare improvements to the communities that need it most.

To offset a portion of IPC's 2021 CO₂ emissions, the Company will continue to rely on carbon credits secured through our partner, First Climate. First Climate is a leading provider of climate protection and green energy solutions. For the compensation of 2021 emissions, IPC has offset 215,000 tCO₂ representing approximately 30% of IPC's operational emissions. Over the previous two years we have offset 150,000 tCO₂ by retiring carbon credits from the Indian solar and hydro energy projects reported on in previous sustainability reports. IPC remains committed to these two projects and will continue sourcing carbon offset credits from these to support renewable energy in one of the world's most carbon intense power supply areas.

First Climate

 **Verified Carbon Standard**
A VERRA STANDARD

Gold Standard[®]

Our Approach to Sustainability | Climate Action

For the year 2021, we are proud to report the addition of two new projects in our offset portfolio with inclusion of the Uganda cook stove project and the Malawi borehole project. These projects uniquely combine environmental and social benefits, allowing IPC to make an impactful and positive contribution to communities at risk.

More than 90% of Ugandan households use wood fuel as the primary energy source to power charcoal stoves and three-stone fireplaces. Beyond the damage caused to Uganda's forests, smoke from the aforementioned cooking sources also causes respiratory disease. It is for these reasons that IPC is contributing to this project, which involves providing improved charcoal cook stoves to the community. These stoves achieve fuel savings of 35% to 50% compared to conventional charcoal stoves and also produce significantly less smoke and carbon monoxide levels inside people's homes.

In Malawi, one of the greatest risks to the community is a distinct lack of safe drinking water. This, in addition to poor sanitation and hygiene, poses serious health concerns as well as contributing to the deforestation, smoke and carbon monoxide levels resulting from the current need to constantly boil water. Based on these circumstances, IPC is contributing to this project which is designed to actively restore damaged and broken boreholes, providing access to safe and potable water. Additionally, the project aims to prevent further borehole malfunctions in the future by educating locals on their set-up, maintenance and operation.

IPC maintains a strong dedication to the Sustainable Development Goals (SDGs) and our continued pursuit of positive contributions to social and environmental challenges. IPC is committed to contributing to meaningful projects that make a difference in so many lives.



Our Approach to Sustainability | Climate Action

Young Innovators Development of Renewable Energy

For the past two years, IPC has joined their like-minded peers by participating in the UN Global Compact: the largest collaborative sustainable development initiative in the world. In 2021, a team of young professionals took part in the 10-months Young SDG Innovators Program (YSIP) organized by the UN Global Compact Canada Network and facilitated by Accenture. This program provides an incredible opportunity for participating companies to seek out young talents and bring them together to collaborate and accelerate business innovation in pursuit of the Sustainable Development Goals (SDGs).

Through this program, IPC has been able to empower and upskill young professionals while benefitting from their innovative ideas and collaboration to help drive our long-term sustainability efforts. In 2021, our YSIP team was presented with a company-specific challenge to “provide affordable energy in a low carbon future while ensuring business success of oil and gas producers in the long term”. Representing IPC’s continued commitment to the UN Global Compact, in addition to the Company’s own sustainable and socially responsible policies, the aforementioned challenge aims to address the following SDGs:



Goal 7: Affordable and Clean Energy

- 7.1 - By 2030, ensure universal access to affordable, reliable and modern energy services
- 7.2 - By 2030, increase substantially the share of renewable energy in the global energy mix
- 7.3 - By 2030, double the global rate of improvement in energy efficiency



Goal 12: Responsible Consumption and Production

- 12.2 - By 2030, achieve the sustainable management and efficient use of natural resources

IPC’s team of Young SDG Innovators came together to break down the challenge and identify the areas that would benefit from operational solutions or investment in new technologies. With IPC’s methane and CO₂ reduction initiatives ongoing, this team analyzed other potential areas that would make sense in cohesion with our existing operations, and ultimately landed on solar power.

After significant research and evaluation, the YSIP team surmised that if IPC would be able to use solar power to target around 20% of the Company’s electrical needs, a reduction of 25,000 tCO₂ per year could be achieved. The project is being further evaluated with potential counter parties and initial scoping was complete in 2021.

Our YSIP team’s efforts on this challenge and resulting project are representative of the Program’s successful fostering of an environment that encourages novel ideas to progress the SDGs. Our young professionals are brilliantly advancing IPC’s sustainability efforts and delivering tangible solutions



Our Approach to Sustainability | Environmental Stewardship

IPC strives to responsibly and proactively manage our environmental footprint to ensure that our business continues to improve on environmental practices while mitigating risk and minimizing negative impacts.

We are committed to meeting or exceeding environmental regulations and industry standards and strive to be stewards of the environment. In support of these efforts, IPC carefully monitors and manages impacts, with a particular focus on reducing greenhouse gas (GHG) emissions, protecting the land and biodiversity, and effectively managing water and waste.

Land & Biodiversity

IPC is committed to the preservation of biological diversity, to safeguarding ecosystems, species and broader genetic diversity. Through environmental baseline and impact studies we acquire information to gain understanding of the environments we operate in and how we can best preserve the natural environment. We integrate environmental considerations throughout all phases of our project planning and seek to minimize risks to the natural environment. This includes measures such as environmental assessments, continuous monitoring, site rehabilitation, and the implementation of new or improved technologies for the management of resources and facilities. We aim to make the most efficient use of natural resources recognizing their value as part of a greater ecosystem.

We are committed to not operate, explore, or conduct drilling activities in World Heritage Sites or protected areas classified by the International Union for Conservation of Nature (IUCN-Category I-IV) and to implementing projects to positively contribute and enhance conservation. We strictly comply with environmental legislation applicable to the countries where we operate and apply the mitigation hierarchy (avoid, minimize, restore & offset) when operating in areas in close proximity to critical biodiversity.

- Strive towards a goal of zero harm to land and water resources
- Ensure that our environmental restoration work meets or exceeds all regulatory requirements, as well as the expectations of our stakeholders, while striving to enhance the biodiversity within areas where we operate



Environmental Stewardship



Liability and Land Management

IPC believes in consultation and collaboration with our stakeholders, including the regulatory agencies and local communities, as those groups are key contributors of our ongoing efforts to assess and modify effective environmental programs. In Canada, IPC's Liability Management program has expanded and matured in response to growth in the inactive liability associated with increasing numbers of orphaned assets. IPC exceeds the Asset Retirement Obligations ("ARO") by using the following process:

ARO strategy

ARO strategy is based on 5 Pillars related to asset liability

ARO annual budget set

Annual scope of work to be identified and budgeted

RTA process

Closure projects are approved through Recommendation To Abandon (RTA) and added to IPC's execution tracker

ARO planning

Well Operations / ARO Execution Planning Process is initiated

ARO execution

Coordination is confirmed across all closure projects

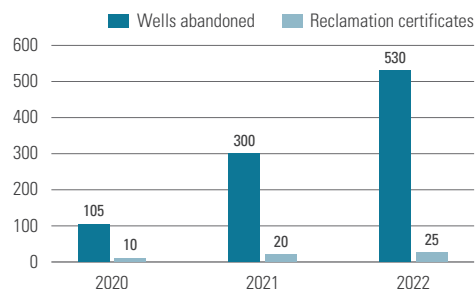
Lookback

Lookback presentation is created and shared with Executives and the Board for continuous improvement

Our Approach to Sustainability | Environmental Stewardship

Key Performance Highlights

- *Government supported abandonment programs enabled IPC to increase the number of wells abandoned in 2021 and 2022*
- *Projecting increased well abandonments and reclamation certificates for 2022*
- *Mooney Heavy Oil, SAGD Asset – developed a program to assess watercourse crossings and develop action plans to improve watershed health and fish habitat. IPC identified 17 watercourse crossings that were ranked based on:*
 - *Connectivity to fish habitat and water course crossing classifications*
 - *Size of the watercourse, hydrologic capacity and riparian health (wetlands adjacent to rivers and streams)*
- *Union Lake Thermal Project – improved wetland health scores for 2021 while bird richness and diversity have continued to increase since 2016*
- *Blackrod and Suffield A2 Sour Gas Processing Plant – conducted a site-wide soil and ground water monitoring assessment showcasing no remedial actions*
- *Montana State University – Executed a Collaborative Research Agreement with the University to provide gas and oil fluid samples from IPC properties for research*



Spill Response Plan

IPC's Emergency Response Plan is structured to ensure that should a spill occur, it is addressed as quickly as possible, with recovery and remediation deployed immediately upon the identification of any spill. In the event of a spill, efforts are made to recover as close to 100% of released volumes to protect the safety of the land, flora and fauna, and affected communities. Each operating area maintains emergency response capabilities and equipment that are appropriate for that particular operating environment and the associated risks. We also maintain affiliations with oil spill response organizations, oil spill contingency plans and appropriate training in order to obtain assistance in the event of a spill that exceeds IPC's internal response capabilities, enabling us to effectively prevent and remediate spills.

In 2021, at our Suffield asset, a mechanical failure occurred, resulting in a fiberglass line leak due to excess wear and the release of approximately 42 m³ of oil. The spill was identified very quickly following a pressure drop and was immediately isolated with all surface fluids recovered using a vacuum truck. The impact of this incident was limited to the soil adjacent to the damaged pipe and all contaminated materials were excavated and safely disposed of at a third-party facility.

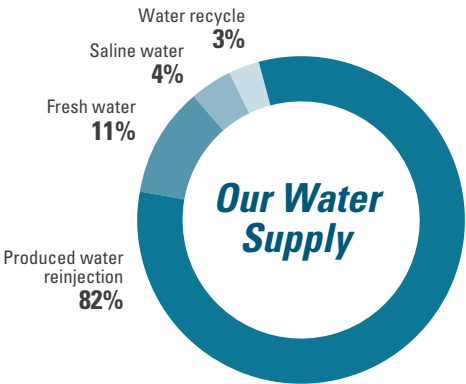
Our Approach to Sustainability | Environmental Stewardship

Water Management

At IPC, we recognize that water is a precious resource that must be used responsibly. To date, we do not have exploration or production sites located in water-stressed areas, nevertheless we carefully manage our water withdrawals and monitor our wastewater disposal. We take a location-specific approach, complying with or exceeding water and operating regulations in all of our countries of operations and engaging with key stakeholders.

As water is an essential part of IPC’s operations, it is critical we find ways to continuously improve the efficiency of our water use (including limiting water withdrawals and optimizing recycling) and safely handle water from our operations. Recognizing our role in managing water responsibly, our water strategy principles focus on:

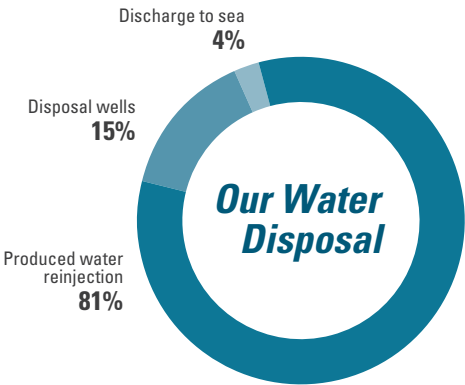
- *Water sourcing*
Water is sourced and withdrawn in accordance with local regulations and only after obtaining prior informed consent. We engage with local communities during the development of our water management plans and as projects progress.
- *Protecting water bodies*
IPC understands that water is a valuable natural resource that holds environmental, social, cultural and economic value. As such, we are committed and conscious of working in areas that may be considered water stressed.
- *Water withdrawal, recycling and discharges*
We seek to reduce water extraction from natural water systems through operational efficiency, water re-use and water recycling. Continuous improvement measures at our operations allow us to optimize water reduction and recycling opportunities while always balancing the net environmental impact and associated costs.



Due to the nature of the industry, IPC produces water alongside the production of our crude oil volumes as normal course of business. As part of our ongoing environmental responsibility, we limit the amount of produced water that is discharged out to sea, with a parts per million content of 23 ppm, below the 40 ppm regulatory limit.

Key Performance Highlights

- *Partnered with the Institute of Oceanography & Environment of the University Malaysia Terengganu (UMT) on the project “Coral Reef Conservation & Restoration Towards Sustainable Ecosystem” three-year program to conserve coral reefs along Terengganu*



Waste Management

IPC is developing strategies to reduce waste and exploring opportunities to integrate a circular approach in our operations and across our value chain. Waste reduction and management across our operations represent integral components in how we conduct our business.

We manage waste to minimize, segregate and safely dispose of any waste generated in our operations. IPC’s Environmental Policy incorporates the “3R” principle, i.e., reduce, reuse and recycle to minimize the waste generated and for the continual improvement of waste management processes. Everywhere we operate, we have waste management plans in place, and we handle and dispose of waste in accordance with local regulations. IPC focused on reducing waste production and minimizing the potential for environmental or health and safety impacts. All waste is identified, characterized, and tracked from generation to final disposal to ensure there is minimal risk related to our waste production and transportation.

Key Performance Highlights

- *IPC participates in Canada’s waste reduction week in October with a partnership with Ridgeline GreenFill and the Leftovers Foundation with recycling materials*

Our Approach to Sustainability | Environmental Stewardship

Beehives on the Office Rooftop

With the sustained deterioration in natural bee habitats across the globe, combined with the impacts of pesticides, climate change and invasive species, bee populations have been in decline. IPC, in partnership with Bees4You, has launched an initiative to do our part to combat this trend. We are excited to have coordinated the installation of several beehives and introduced an educational workshop program for children to raise awareness around the importance of bees.

Bees are essential for global food security and for upholding the biodiversity of a wide variety of species. In fact, about 70% of crops depend on bees for pollination. There's no denying their importance. That is why IPC organized the creation of two beehives, nested on the rooftop of our operations office in Switzerland. Each hive is expected to host up to 10,000 bees each winter and up to 50,000 bees in the summer months.

Of course, with bees comes honey! Local professional beekeepers have been engaged to manage the harvest and upkeep, handling the production of about 100 to 150 jars of honey per hive each year. The honey will be distributed to a variety of IPC stakeholders in locally produced packaging made using recycled materials.

We are proud of this project to protect bee habitats, support local beekeepers, provide honey to stakeholders and enhance awareness around the importance of bees. This exciting (and tasty) initiative closely aligns with IPC's commitment to enhance and protect biodiversity across a range of habitats.

15 LIFE
ON LAND



Our Approach to Sustainability | Environmental Stewardship

Coral Reef Restoration in Malaysia

IPC, in partnership with the Institute of Oceanography & Environment of the University Malaysia Terengganu (UMT), is now in the third year of implementation of our project to conserve and restore coral reef in Malaysia. Initiated in 2020, this exciting project aims to develop a community-based program on the conservation of coral reefs, engaging several local stakeholder groups to create both a near-term and long lasting positive ecological impact.

The initiative focuses on a damaged coral reef area (known as Pantai Pasir Cina) at Pulau Bidong, Terengganu, along the Malaysian East coast islands. The area has a number of islands with highly diverse marine ecosystems, and the project seeks to raise awareness on the preservation of this aquatic habitat and other sensitive ecological systems throughout the east coast islands.

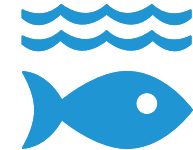
Nine UMT researchers with expertise in coral biology have been integral to the project, and in 2020, a group of nine IPC employees volunteered to support their research by participating in a four-day knowledge acquisition at Bidong Island. Three daily dives were conducted, followed by several hours of data assessment and knowledge sharing among the UMT and the IPC volunteer teams.

Since the project's initiation, researchers have recovered live coral cover at the damaged reef and started the process of restoring coral-related species and marine benthic communities, improving food webs and contributing to a healthy reef ecosystem. In addition, since April 1, 2021, a total of 100 coral nubbins have been planted in strategic formation to encourage regrowth.

A sustainable coral restoration model is being developed and put to use as a result of this in situ effort, empowering local stakeholders including divers, fisherman, and students to take part in reef management.

“Developing a community-based program on the conservation of coral reefs through engagement among multiple local stakeholders

14 LIFE
BELOW WATER



Sustainability data¹

ENVIRONMENT ²	2019	2020	2021
Unplanned releases to sea or land³			
Oil spills			
Number	1	1	1
Volume from spills (m ³)	30	30	42
Produced water spills			
Number	1	2	0
Volume from spills (m ³)	350	480	0
Chemical spills			
Number	0	0	0
Volume from spills (m ³)	0	0	0
Water			
Water withdrawal			
Surface water			
<i>Fresh surface water (m³)</i>	2,313,541	2,162,908	2,548,620
<i>Saline surface water (m³)</i>	868,902	7,638	52
Ground water			
<i>Fresh ground water (m³)</i>	95,176	103,253	97,407
<i>Saline ground water (m³)</i>	413,203	708,095	1,128,534
Total water withdrawal (m ³)	3,690,822	2,981,893	3,774,613
Withdrawal from areas with high water stress (m ³) ⁴	0	0	0
Water recycling			
Volume (m ³) ⁵	496,281	568,435	836,243
Produced water			
Volume (m ³)	26,010,608	19,360,160	25,182,873
Disposal of produced water			
Produced water reinjected into the reservoir (m ³)	22,162,998	14,640,500	20,475,310
Produced water injected into disposal wells (m ³)	3,157,547	3,284,846	3,797,342
Produced water discharged to sea (m ³) ⁶	690,063	955,318	954,076
Produced water discharged to surface water (m ³)	0	0	0
Waste			
Drilling waste⁷			
Drill cuttings (t)	3,610	961	1,356
<i>Sent to approved landfills (t)</i>	–	251	317
<i>Drill cuttings encapsulated at the well site (t)</i>	–	70	0
<i>Drill cuttings sent to other type of disposal (t)</i>	–	640	1,039
Oil-based drilling fluid (t)	3,328	735	0
<i>Sent to off-site processing (t)</i>	–	735	0
Water-based drilling fluid (t)	15,761	5,486	1,304
Other wastes generated during drilling (t)	1,155	318	184
<i>Sent to off-site processing (t)</i>	–	22	0

ENVIRONMENT	2019	2020	2021
Waste (continued)			
Hazardous waste generated (t) ⁸	3,596	1,921	12,585
Hazardous waste recycled (t)	317	258	13
Hazardous waste recovered, incl. energy recovery (t)	–	255	72
Hazardous waste sent to other type of disposal (t)	–	1,408	12,500
Non-hazardous waste generated (t)⁸	20,247	21,708	36,785
Non-hazardous waste recycled (t)	340	288	2,673
Non-hazardous waste sent to landfill (t)	–	21,420	34,095
Non-hazardous waste sent to other type of disposal (t)	–	0	17
GHG emissions⁹			
Emission intensity (kg CO ₂ e/boe) ¹⁰	39.86	38.87	42.13
Scope 1 GHG emissions (t CO ₂ e) ^{11 13}	696,699	678,512	730,512
Scope 2 GHG emissions (t CO ₂ e) ^{12 13}	138,404	104,958	127,077
Scope 3 GHG emissions			
Business travel by air (t CO ₂ e) ¹⁴	410	38	14
Offshore travel and logistics (t CO ₂ e)	5,332	4,612	4,349
Sales trucking (t CO ₂ e)	2,077	3,112	4,970
Drilling activities (t CO ₂ e)	25,352	10,082	5,534
Energy			
Energy consumption (KWh) ¹⁵	220,221,327	170,043,658	188,481,384
Energy intensity (MWh/boe)	0.012	0.010	0.011
Carbon offset			
Voluntary carbon offsets retired (t CO ₂ e) ¹⁶	50,000	100,000	215,000
Carbon credits earned (t CO ₂ e) ¹⁷	24,000	35,000	29,532
Biodiversity			
IUCN Red List species with habitats in operating areas¹⁸			
Critically endangered	0	0	0
Endangered	1	1	1
Vulnerable	5	5	5
Near threatened	3	3	3
National conservation list species with habitats in operating areas¹⁹			
Endangered	9	9	9
Threatened	18	18	18

Sustainability data

SOCIAL ²⁰	2019	2020	2021
Health and safety ²¹			
Fatalities			
Employees	0	0	0
Contractors	0	0	0
Total	0	0	0
Lost time incidents			
Employees	0	1	0
Contractors	4	0	1
Total	4	1	1
Restricted work incidents			
Employees	0	0	1
Contractors	1	1	2
Total	1	1	3
Medical treatment incidents			
Employees	0	0	0
Contractors	2	2	1
Total	2	2	1
Lost time incident rate ²²			
Employees	–	–	0.0
Contractors	–	–	1.0
Total	1.8	0.6	0.6
Total recordable incident rate ²³			
Employees	–	–	1.9
Contractors	–	–	3.9
Total	3.1	2.4	3.2
Exposure hours			
Employees (hours)	523,617	502,194	529,289
Contractors (hours)	1,692,813	1,149,522	1,038,583
Total (hours)	2,216,430	1,651,715	1,567,872
Near misses with high potential ²⁴	2	2	1
Process safety - Tier 1 loss of primary containment ²⁵	–	–	0
Employment			
Employees ²⁶			
Canada	156	129	127
Malaysia	62	62	64
France	47	47	46
Switzerland	20	20	21
Total	285	258	258

SOCIAL	2019	2020	2021
Employment (continued)			
Contractors	244	159	176
Interns	–	14	11
Turnover (%)			
Employees	10.4	20%	7%
Voluntary employee turnover			5%
Contractors	–	40%	3%
New hire rate (%)			
Employees	31.7	8%	6%
Contractors		23%	9%
Work location			
Employees			
Office (%)	–	68%	64%
Field / site (%)	–	34%	36%
Contractors			
Office (%)	–	16%	18%
Field / site (%)	–	84%	82%
Women employees (%)	29	29%	31%
Women contractors (%)		4%	3%
Women interns (%)		29%	55%
Women in senior management (%)	17	17%	17%
Women in the Board of Directors (%)	14	14%	17%
Employees by age groups (%)			
< 30 years	7	7%	5%
30-50 years	68	68%	69%
> 50 years	25	26%	26%
Senior management age groups (%)			
< 30 years	–	17%	17%
30-50 years	–	67%	50%
> 50 years	–	17%	33%
Board of Directors by age groups (%)			
> 50 years	86	71%	83%

Sustainability data

GOVERNANCE ²⁷	2019	2020	2021
Human Rights			
Incidents of discrimination			
Number of incidents	0	1	0
Number of incidents reviewed and remediation plans implemented	0	1	0
Incidents of indigenous rights infringement			
Number of incidents	0	0	0
Number of incidents reviewed and remediation plans implemented	0	0	0
Anti-corruption			
Confirmed incidents of corruption			
Number of incidents	0	0	0
Whistleblowing			
Critical concerns			
Number of incidents	0	1	1
Number of incidents investigated	0	1	1
Compliance			
Disputes associated with operations	0	0	0
Significant fines ²⁸			0
Number	0	0	0
Value (USD)	0	0	0
Environmental fines ²⁸			0
Number	0	0	0
Value (USD)	0	0	0
Non-monetary sanctions			0
Number	0	0	0
Environmental non-monetary sanctions			0
Number	0	0	0
Contributions and partnerships			
Contributions to sustainability initiatives			
Sustainable investments (USD)	–	82,000	85,026
Political contributions (USD)	–	0	0
Membership of associations ²⁹	–	9	10

Payments to governments 2021 (TUSD)³⁰

	Taxes	Royalties	Fees	Production Entitlements	Bonuses
Canada	7,480	34,800	7,390	–	49,670
France	8,800	–	–	–	8,800
Malaysia	480	100	–	17,130	17,710
	16,760	34,900	7,390	17,130	76,180

¹ Dashes in the data tables indicate that new or more detailed figures are presented in the report. The same data has not been disclosed in previous years.

² The Environment data boundary includes Canada, France and Malaysia. Data is represented as 100% ownership interest regardless of actual share owned by IPC with acquisitions and divestitures reflected using the effective date of the transaction.

³ Significant spills greater than 100 barrels or 15.89 m³.

⁴ Based on the 2019 national water stress rankings, World Resource Institute.

⁵ Revised 2019 values.

⁶ Discharged produced water with a ppm content of 23 ppm, below the 40 ppm regulatory limit.

⁷ Variations in drill waste data in the past three years reflect drilling activity cycles.

⁸ Variations in hazardous and non-hazardous waste data between 2020 and 2021 is predominately due to reclassification of non-oilfield waste.

⁹ GHG emissions from our operations are classified as scope 1, scope 2 and scope 3. Scope 1 emissions are direct emissions from owned or controlled assets. Scope 2 emissions are indirect emissions from the generation of purchased electricity. Scope 3 includes emissions from sources owned or operated by a third party.

¹⁰ Emission intensity includes scope 1 CO₂e emissions.

¹¹ Scope 1 is accounted for on an operated basis; it accounts for all direct emissions to air from operated assets.

¹² Scope 2 is accounted for on an operated basis; it accounts for indirect emissions from electricity consumption.

¹³ The increase in scope 1 and 2 emissions between 2020 and 2021 is due to an increase in activity post Covid-19.

¹⁴ Business travel emissions include Switzerland.

¹⁵ Energy consumption includes electricity only.

¹⁶ Carbon emissions were offset by emission reductions in the Verra Registry, through selected climate protection projects. First Climate has irrevocably retired the corresponding emission reduction certificates in the market.

¹⁷ Carbon credits were validated in 2021 covering the years 2020-2021.

¹⁸ IUCN and national conservation list species reported for Canadian assets.

¹⁹ National conservation list species are based on Canadian national listings, including COSEWIC and SARA.

²⁰ The Social data boundary includes Canada, France, Malaysia and Switzerland.

²¹ HSE data is based on assets where IPC has operational control, excluding Aquitaine Basin asset where IPC has no operational control.

²² Lost time incident rate is a rate calculation based on the 2020 total hours worked (employee + contractor). It indicates the number of lost time injuries and fatalities per 1,000,000 hours worked.

²³ Total recordable incident rate is a rate calculation based on the 2020 total hours worked (employee + contractor). It indicates the number of recordable injuries (medical treatment incidents + restricted work incidents + lost time injuries + fatalities) per 1,000,000 hours worked. First aid injuries are not included.

²⁴ Near miss with high potential incidents are incidents or near miss events which in combination of potential consequences (people, environment, asset) and likelihood are assessed to be in the red area of the risk matrix.

²⁵ A Tier 1 process safety event is an unplanned or uncontrolled release of any material (Loss of Primary Containment or LOPC), including non-toxic and non-flammable materials, from a process that results in one or more of the consequences listed in the API RP 754 guidance.

²⁶ We account for permanent and fixed term employees by end of year.

²⁷ The Governance data boundary includes Canada, France, Malaysia and Switzerland.

²⁸ We apply a reporting threshold of USD 50,000 reflecting the size of our company and qualification of significant monetary sanction.

²⁹ IPC has membership in the following associations: Explorers and Producers Association of Canada, Palliser Airshed Society, Western Canadian Spill Services, Canadian Heavy Oil Association, Mercer (Canada) Limited, Alberta Boilers Safety Association, Malaysian International Chamber of Commerce & Industry, Union Française des Industries Pétrolières, MEDEF.

³⁰ The report on payments to governments (ESTMA) with details of payments is available on www.international-petroleum.com.

GRI index

Standard Disclosure	Description	Level	Reference	SASB	IPEICA	UN SDG	UN Global Compact	Comment / Reason for Omission
GRI 102: GENERAL DISCLOSURES (2016)								
1. Organizational profile								
102-1	Name of the organization	●	SR Front Cover	EM-EP-530a.1 EM-RM-530a.1		8.2, 8.5, 10.3		There have been no significant changes to IPC's supply chain.
102-2	Activities, brands, products, and services	●	SR 2-3					
102-3	Location of headquarters	●	SR 52, Back Cover / AIF 9					
102-4	Location of operations	●	SR 2-3					
102-5	Ownership and legal form	●	AIF 9					
102-6	Markets served	●	SR 2-3 / AIF 14-23					
102-7	Scale of the organization	●	SR 2-3, 13-14, 41 / AIF 24, 48-52, 60					
102-8	Information on employees and other workers	●	SR 13-14, 41					
102-9	Supply chain	●	SR 2-3					
102-10	Significant changes to the organization and its supply chain	●	AIF 10-12, 24					
102-11	Precautionary Principle or approach	●	SR 24-39					
102-12	External initiatives	●	SR 4, 6-8, 32-34, 42					
102-13	Membership of associations	●	SR 42					
2. Strategy								
102-14	Statement from senior decision-maker	●	SR 1					
102-15	Key impacts, risks and opportunities	●	SR 4-7, 24-34/ AIF 39-46					
3. Ethics and integrity								
102-16	Values, principles, standards, and norms of behaviour	●	SR 3, 9, 15, 26 / Code of Ethics and Business Conduct		GOV-2, SOC-8	16.3	1, 2, 3, 4, 5, 6, 7, 8, 9, 10	
102-17	Mechanisms for advice and concerns about ethics	●	SR 9,42 / Code of Ethics and Business Conduct		GOV-2, SOC-8	16.3		
4. Governance								
102-18	Governance structure	●	SR 9-11		GOV-1			
102-19	Delegating authority	●	SR 9-11/ Sustainability policy/ Environmental Policy / Delegation of Authority Policy / Stakeholder Relations Policy		GOV-1			
102-20	Executive-level responsibility for economic, environmental and social topics	●	SR 9-12 / AGM Circular		GOV-1			
102-21	Consulting stakeholders on economic, environmental and social topics	●	SR 5 / Stakeholder Relations Policy		GOV-2	16.7		
102-22	Composition of the highest governance body and its committees	●	SR 9-11 / AIF 66-67 / AGM Circular		GOV-1	5.5, 16.7		
102-23	Chair of the highest governance body	●	SR 9-11 / AGM Circular		GOV-1	16.6		
102-24	Nominating and selecting the highest governance body	●	SR 9-11 / AGM Circular		GOV-1	5.5, 16.7		
102-25	Conflicts of interest	●	SR 9 / AIF 68/ AGM Circular		GOV-2, GOV-3			
102-26	Role of highest governance body in setting purpose, values, and strategy	●	SR 9-11 / AGM Circular		GOV-1, GOV-2			
102-27	Collective knowledge of highest governance body	●	SR 9-12 / AGM Circular		GOV-2			
102-28	Evaluating the highest governance body's performance	●	SR 9/ AGM Circular		GOV-1			
102-29	Identifying and managing economic, environmental and social impacts	●	SR 5-8, 9-12, 24-34 / Stakeholder Relations Policy		GOV-2, SOC-13	16.7		
102-30	Effectiveness of risk management processes	●	SR 28		GOV-2			
102-31	Review of economic, environmental and social impacts	●	SR 9-12 / AGM Circular		GOV-2			
102-32	Highest governance body's role in sustainability reporting	●	SR 10-11 / AGM Circular					
102-33	Communicating critical concerns	●	SR 9,42 / Whistleblowing Policy and Procedure		GOV-2, SOC-8			
102-34	Nature and number of critical concerns	●	SR 42 / Whistleblowing Policy and Procedure		GOV-2, SOC-8			
102-35	Remuneration policies	●	SR 10/AIF 66-68 / AGM Circular					
102-36	Process for determining remuneration	●	SR 10 / AGM Circular / Compensation Committee Mandate					
102-37	Stakeholders' involvement in remuneration	●	AGM Circular			16.7		

GRI index

Standard Disclosure	Description	Level	Reference	SASB	IPEICA	UN SDG	UN Global Compact	Comment / Reason for Omission
GRI 102: GENERAL DISCLOSURES (2016)								
5. Stakeholder engagement								
102-40	List of stakeholder groups	●	SR 5, 6, 20-22	EM-MM-310a.1				We strive to maintain healthy relations with our employees. Dialogue between management and employees is integral to our work practices and takes place directly and, where appropriate, through employee representative bodies. 100% of operating regions have access to grievance procedures or other support systems. Collecting data on employee participation in collective bargaining agreements is not permitted in certain jurisdictions.
102-41	Identifying and selecting stakeholders	●						
102-42	Collective bargaining agreements	●	SR 20-22 Stakeholder Relations Policy					
102-43	Approach to stakeholder engagement	●	SR 20-22 Stakeholder Relations Policy					
102-44	Key topics and concerns raised	●	SR5-6					
6. Reporting practice								
102-45	Entities included in the consolidated financial statements	●	SR 4/ AIF 9					Any restatements are made in the data tables.
102-46	Defining report content and topic Boundaries	●	SR 4					
102-47	List of material topics	●	SR 5-7					
102-48	Restatement of information	●	SR 4					
102-49	Changes in reporting	●	SR 4-6					
102-50	Reporting period	●	SR 4					
102-51	Date of most recent report	●	2020					
102-52	Reporting cycle	●	SR 4					
102-53	Contact point for questions regarding the report	●	SR 52					
102-54	Claims of reporting in accordance with the GRI Standards	●	SR 4/ 43-47					
102-55	GRI content index	●	SR 43-47					This report has been prepared in accordance with the GRI Standards: Core option
102-56	External assurance	○	SR 9					
GRI 103: MANAGEMENT APPROACH (2016)								
103-1	Explanation of the material topic and its Boundary	●	SR 5-7					We plan to externally assure IPC's next Sustainability Report.
103-2	The management approach and its components	●	SR 6,7, 9, 13, 16, 20, 23, 24, 35, 37					
103-3	Evaluation of the management approach	●	SR 6,7, 9, 13, 16, 20, 23, 24, 35, 37					
GRI 201: ECONOMIC PERFORMANCE (2016)								
201-1	Direct economic value generated and distributed	●	AIF 62					
201-2	Financial implications and other risks and opportunities due to climate change	●	SR 24-31 AIF 25, 29, 32-34, 40, 41					

GRI index

Standard Disclosure	Description	Level	Reference	SASB	IPIECA	UN SDG	UN Global Compact	Comment / Reason for Omission
GRI 205: ANTI-CORRUPTION (2016)								
205-1	Operations assessed for risks related to corruption	🔵	SR 42 / Code of Ethics and Business Conduct	EM-EP-510a.2 EM-MM-510a.1	GOV-3	16.5	10	IPC has a zero tolerance policy with respect to anti-corruption. UN Global Compact Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery. In line with this principle, IPC has adopted a corporate Anticorruption Policy that includes elements designed to prevent or detect and remediate potential violations. We plan to report on formal risk assessments on corruption in the coming years. No details provided on corruption cases as no cases were reported.
205-3	Confirmed incidents of corruption and actions taken	🟢	SR 42 / Code of Ethics and Business Conduct		GOV-3	16.5	10	
GRI 207: TAX (2019)								
207-1	Approach to Tax	🟢	SR 12, 42 ESTMA 2021					
207-2	Tax governance, control, and risk management	🟢	SR 12, 42 ESTMA 2021					
207-3	Stakeholder engagement and management of concerns related to tax	🟢	AIF 28, 29, 34, 41, 45, 52 SR 2020 28 SR 12					
GRI 302: ENERGY (2016)								
302-1	Energy consumption within the organization	🔵	SR 40	EM-MM-130a.1	CCE-6	7.2, 8.4, 12.2, 13.1	9	Data presented with one indicator: total energy consumption in KWh. same as above
302-3	Energy intensity	🔵	SR 40		CCE-6	7.2, 8.4, 12.2, 13.1	9	
GRI 303: WATER AND EFFLUENTS (2018)								
303-1	Interactions with water as a shared resource	🟢	SR 24-25	EM-EP-140a.1	ENV-1, ENV-2	6.1, 6.3, 6.4, 6.6, 12.4	7, 8	
303-2	Management of water discharge-related impacts	🟢	SR 24-25	EM-RM-140a.1	ENV-1, ENV-2	6.3	7, 8	
303-3	Water withdrawal	🟢	SR 34	EM-MM-140a.1	ENV-1, ENV-2	6.4	7, 8, 9	
303-4	Water discharge	🟢	SR 33		ENV-2	6.3	7, 8, 9	
GRI 304: BIODIVERSITY (2016)								
304-1	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	🟢	SR 24-25		ENV-3, ENV-4	6.4, 6.6, 14.2, 15.1, 15.5, 15.8	7, 8	
304-2	Significant impacts of activities on biodiversity	🟢	SR 24-25		ENV-3, ENV-4	6.6, 14.2, 15.1, 15.5, 15.8	7, 8	
304-3	Habitats protected or restored	🟢	SR 34		ENV-3, ENV-4	6.6, 14.2, 15.1, 15.5	7, 8	
304-4	IUCN Red List species and national conservation list species with habitats in areas affected by operations	🟢	SR 33		ENV-3	6.6, 14.2, 15.1, 15.6	7, 8	
GRI 305: EMISSIONS (2016)								
305-1	Direct (scope 1) GHG emissions	🟢	SR 19, 33	EM-EP-110a.1 EM-RM-110a.1 EM-MM-110a.1	CCE-3, CCE-4, CCE-5	3.9, 12.4, 13.1, 14.3, 15.2	7, 8, 9	
305-2	Energy indirect (scope 2) GHG emissions	🟢	SR 19, 33		CCE-3, CCE-4, CCE-5	3.9, 12.4, 13.1, 14.3, 15.3	7, 8, 9	
305-3	Other indirect (scope 3) GHG emissions	🟢	SR 19, 33		CCE-3, CCE-4, CCE-5	3.9, 12.4, 13.1, 14.3, 15.4	7, 8, 9	
305-4	GHG emissions intensity	🟢	SR 33		CCE-3, CCE-4, CCE-5	13.1, 14.3, 15.2		
305-5	Reduction of GHG emissions	🟢	SR 17-21	EM-EP-110a.3 EM-RM-110a.2 EM-MM-110a.2	CCE-3, CCE-4, CCE-5	9.4, 13.1, 14.3, 15.2	9	

GRI index

Standard Disclosure	Description	Level	Reference	SASB	IPIECA	UN SDG	UN Global Compact	Comment / Reason for Omission
GRI 306: WASTE (2020)								
306-1	Waste generation and significant waste-related impacts	●	SR 24	EM-EP-140a.2	ENV-7	3.9, 6.3, 6.4, 6.6, 12.4, 12.5, 14.1, 15.1	7, 8	
306-2	Management of significant waste-related impacts	●	SR 24	EM-RM-150a.1	ENV-7	3.9, 6.3, 12.4, 12.5	7, 8	
306-3	Waste Generated	●	SR 10-11, 33	EM-EP-160a.2 EM-MM-160a.4	ENV-6	3.9, 6.3, 6.6, 12.4, 14.1, 15.1	7, 8, 9	
GRI 307: ENVIRONMENTAL COMPLIANCE (2016)								
307-1	Non-compliance with environmental laws and regulations	●	SR 42			16.3		
GRI 401: EMPLOYMENT (2016)								
401-1	New employee hires and employee turnover	●	SR 41			5.1, 8.5, 8.6, 10.3	3, 4, 5, 6	Part-time and full-time employees have the same benefits, though these may vary based on country regulations. Parental leave is provided to all part-time and full-time employees, though these may vary based on country regulations. We tracked the number of employees entitled to and took parental leave and the number of employees that returned to work after parental leave but did not disclose them publicly.
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	●	SR 13					
401-3	Parental leave	●	SR 13					
GRI 403: OCCUPATIONAL HEALTH AND SAFETY (2018)								
1. Management approach disclosures								
403-1	Occupational health and safety management system	●	SR 16-19		SHS-1, SHS-2	3, 8.8	1	We do not require that contractors are certified against ISO45001 or other management standards although their systems are assessed for fitness of purpose against these standards as part of the contractor selection processes. All personnel working on behalf of IPC are included in our system. We interface, where appropriate, with contractors who work under their own system using a bridging approach. All IPC employees are subject to our HSE Management System.
403-2	Hazard identification, risk assessment, and incident investigation	●	SR 17		SHS-1, SHS-2	8.8	1	
403-3	Occupational health services	●	SR 16-19		SHS-1, SHS-2	8.8	1	
403-5	Worker training on occupational health and safety	●	SR 19		SHS-1, SHS-2	8.8	1	
403-6	Promotion of worker health	●	SR 16-19		SHS-1, SHS-2	3.3, 3.5, 3.7, 3.8	1	
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	●	SR 16-19		SHS-1, SHS-2	8.8	1	
403-8	Workers covered by an occupational health and management system	●	SR 16-19		SHS-1, SHS-2	8.8	1	
403-9	Work-related injuries	●	SR 18,19, 41	EM-EP-3210a.1 EM-RM-320a.1 EM-MM-320a.1	SHS-1, SHS-2	3.6, 3.9, 8.8, 16.1	1	
403-10	Work-related ill health	●	SR 18,19, 41		SHS-1, SHS-2	3.6, 3.9, 8.8, 16.1	1	
GRI 405: DIVERSITY AND EQUAL OPPORTUNITY (2016)								
405-1	Diversity of governance bodies and employees	●	SR 13,14, 41		SOC-5	5.1, 5.5, 8.5	1, 6	Diversity is not reported by minority group, as this is proprietary information. We report diversity data by gender and age groups for our Board of Directors, Executive Committee and employees, and by gender for contractor and interns. Data on minority employees are not aggregated globally, as this is defined locally and legislation in some countries prohibit requesting ethnicity data. The data on disabled employees are not collected or aggregated as this depends on local legislation on disability recording and also individual wishes for declaration. In some countries, disclosure of these data is not permitted.

GRI index

Standard Disclosure	Description	Level	Reference	SASB	IPIECA	UN SDG	UN Global Compact	Comment / Reason for Omission
GRI 406: NON DISCRIMINATION (2016)								
406-1	Incidents of discrimination and corrective actions taken	●	SR 42		SOC-5	5.1, 8.8	1, 6	
GRI 411: RIGHTS OF INDIGENOUS PEOPLES (2016)								
411-1	Incidents of violations involving rights of indigenous peoples	●	SR 42	EM-EP-210a.3 EM-MM-210a.3	SOC-10	2.3	1, 2	
GRI 412: HUMAN RIGHTS ASSESSMENT (2016)								
412-1	Operations that have been subject to human rights reviews or impact assessments	◐	SR 23,42					IPC's governance framework covers Human Rights. In practice we assess potential impacts on human rights using Environmental, Social, and Health Impact Assessments which may include specialist topics such as cultural heritage, social livelihoods, security assessments, social performance plans, grievance mechanisms, and contracting and procurement procedures. This is not reported by percentage of operations. However, all the relevant systems, processes, and tools apply where it is understood there may be a potential impact. We plan to report on human rights reviews in the coming years. IPC's Code of Ethics and Business Conduct and policies are communicated to all our employees. We do not record the number of hours used for this specifically and plan to make information available in the coming years. All IPC contractors and joint venture partners must comply with local legislation and regulations, and must conduct their activities in line with IPC's Code of Ethics and Business Conduct and IPC's Contractor Declaration.
412-2	Employee training on human rights policies or procedures	○						
412-3	Significant investment agreements and contracts that include human rights clauses or that underwent human rights screening	◐						
GRI 413: LOCAL COMMUNITIES (2016)								
413-1	Operations with local community engagement, impact assessments, and development programs	◐	SR 20-22, 42	EM-EP-210b.1 EM-MM-210b.1	b.1	1.4, 2.3	1, 2	We have implemented community feedback mechanisms at all of our operations and projects to receive and respond to questions and complaints from community members. This enables us to capture and resolve concerns quickly in a transparent way. We plan to report in detail on community programs in the coming two years. IPC has identified three potential risks in the communities neighboring the operations: 1. Possible increase in the floating population in the geographical areas where the company operates, 2. Possible loss of the traditional activities to migrate to the Oil & Gas sector, 3. Possible increase in the cost of local goods and services.
413-2	Operations with significant actual and potential negative impacts on local communities	●	SR 20-22		SOC-9, SOC-12		1, 2	
GRI 415: PUBLIC POLICY (2016)								
415-1	Political contributions	●	SR 42			16.3		
GRI 419: SOCIOECONOMIC COMPLIANCE (2016)								
419-1	Non-compliance with laws and regulations in the social and economic area	●	SR 42			16.3		
G4: OIL AND GAS SECTOR DISCLOSURE (2012)								
G4-OG1	Volume and type of estimated proved reserves and production	●	AIF 48,49	EM-EP-000.A				
G4-OG5	Volume and disposal of formation or produced water	●	SR 37,40		ENV-1, ENV-2			
G4-OG7	Drilling waste	●	SR 37,40		ENV-7			
G4-OG10	Significant disputes with local communities and indegenous peoples	●	SR 42		SOC-10, SOC-12			
G4-OG11	Decommissioned sites and sites that are in the process of being decommissioned	●	SR 35,36		ENV-8			

AIF: Annual Information Form / SR: Sustainability Report

Forward-looking statements

This Sustainability Report contains statements and information which constitute “forward-looking statements” or “forward-looking information” (within the meaning of applicable securities legislation). Such statements and information (together, “forward-looking statements”) relate to future events, including the Company’s future performance, business prospects or opportunities. Actual results may differ materially from those expressed or implied by forward-looking statements. The forward-looking statements contained in this Sustainability Report are expressly qualified by this cautionary statement. Forward-looking statements speak only as of the date of this Sustainability Report, unless otherwise indicated. IPC does not intend, and does not assume any obligation, to update these forward-looking statements, except as required by applicable laws.

The Covid-19 virus and the restrictions and disruptions related to it had a material effect on the world demand for, and prices of, oil and gas as well as the market price of the shares of oil and gas companies generally. Although demand, commodity prices and share prices have recovered, there can be no assurance that these effects will not resume or that commodity prices will not decrease or remain volatile in the future. These factors are beyond the control of the Company and it is difficult to assess how these, and other factors, will continue to affect the Company and the market price of IPC’s common shares. In light of the current situation, as at the date of this press release, the Company continues to review and assess its business plans and assumptions regarding the business environment, as well as its estimates of future production, cash flows, operating costs and capital expenditures.

All statements other than statements of historical fact may be forward-looking statements. Any statements that express or involve discussions with respect to predictions, expectations, beliefs, plans, projections, forecasts, guidance, budgets, objectives, assumptions or future events or performance (often, but not always, using words or phrases such as “seek”, “anticipate”, “plan”, “continue”, “estimate”, “expect”, “may”, “will”, “project”, “forecast”, “predict”, “potential”, “targeting”, “intend”, “could”, “might”, “should”, “believe”, “budget” and similar expressions) are not statements of historical fact and may be “forward-looking statements”.

Forward-looking statements include, but are not limited to, statements with respect to: IPC’s estimates of future production, cash flows, operating costs and capital expenditures that are based on IPC’s current business plans and assumptions regarding the business environment, which are subject to change; IPC’s ability to maintain operations, production and business in light of the current and any future COVID-19 outbreaks and the restrictions and disruptions related thereto, including risks related to production delays and interruptions, changes in laws and regulations and reliance on third-party operators and infrastructure; IPC’s intention and ability to continue to implement our strategies to build long-term shareholder value; the ability of IPC’s portfolio of assets to provide a solid foundation for organic and inorganic growth; IPC’s belief that oil and gas will continue to be an essential part of the world’s energy mix; IPC’s ability to implement its GHG emissions and climate strategy and achieve emission reduction targets; and IPC’s ability to reduce exposure to carbon pricing related costs. Statements relating to “reserves” and “contingent resources” are also deemed to be forward-looking statements, as they involve the implied assessment, based on certain estimates and assumptions, that the reserves and resources described exist in the quantities predicted or estimated and that the reserves and resources can be profitably produced in the future. Ultimate recovery of reserves or resources is based on forecasts of future results, estimates of amounts not yet determinable and assumptions of management.

The forward-looking statements are based on certain key expectations and assumptions made by IPC, including expectations and assumptions concerning: prevailing commodity prices and currency exchange rates; applicable royalty rates and tax laws; interest rates; future well production rates and reserve and contingent resource volumes; operating costs; the timing of receipt of regulatory approvals; the performance of existing wells; the success obtained in drilling new wells; anticipated timing and results of capital expenditures; the sufficiency of budgeted capital expenditures in carrying out planned activities; the timing, location and extent of future drilling operations; the successful completion of acquisitions and dispositions; the benefits of acquisitions; the state of the economy and the exploration and production business in the jurisdictions in which IPC operates and globally; the availability and cost of financing, labour and services; and the ability to market crude oil, natural gas and natural gas liquids successfully.

Although IPC believes that the expectations and assumptions on which such forward-looking statements are based are reasonable, undue reliance should not be placed on the forward-looking statements because IPC can give no assurances 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 include, but are not limited to: the risks associated with the oil and gas industry in general such as 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 estimates and projections relating to reserves, resources, production, revenues, costs and expenses; health, safety and environmental risks; commodity price fluctuations; exchange rate and interest rate fluctuations; marketing and transportation; loss of markets; environmental risks; competition; incorrect assessment of the value of acquisitions; failure to complete or realize the anticipated benefits of acquisitions or dispositions; the ability to access sufficient capital from internal and external sources; failure to obtain required regulatory and other approvals; and changes in legislation, including but not limited to tax laws, royalties, environmental and abandonment regulations. Readers are cautioned that the foregoing list of factors is not exhaustive.

Additional information on these and other factors that could affect IPC, or its operations or financial results, are included in the Company’s unaudited interim condensed consolidated financial statements and management discussion and analysis (MD&A) for the six months ended June 30, 2022, the Company’s Annual Information Form (AIF) for the year ended December 31, 2022 (See “Cautionary Statement Regarding Forward-Looking Information”, “Reserves and Resources Advisory” and “Risk Factors”) and other reports on file with applicable securities regulatory authorities, including previous financial reports, management’s discussion and analysis and material change reports, which may be accessed through the SEDAR website (www.sedar.com) or IPC’s website (www.international-petroleum.com).

Forward-looking statements

The current and any future COVID-19 outbreaks may increase IPC's exposure to, and magnitude of, each of the risks and uncertainties identified in these documents that result from a reduction in demand for oil and gas consumption and/or lower commodity prices and/or reliance on third parties. The extent to which COVID-19 impacts IPC's business, results of operations and financial condition will depend on future developments, which are highly uncertain and are difficult to predict, including, but not limited to, the duration and spread of the current and any future COVID-19 outbreaks, their severity, the actions taken to contain such outbreaks or treat their impact, and how quickly and to what extent normal economic and operating conditions resume and their impacts to IPC's business, results of operations and financial condition which could be more significant in upcoming periods as compared with previous periods. Even after the COVID-19 outbreaks have subsided, IPC may continue to experience materially adverse impacts to IPC's business as a result of the global economic impact.

Non-IFRS Measures

References are made in this Sustainability Report to "operating cash flow" (OCF), "free cash flow" (FCF), "Earnings Before Interest, Tax, Depreciation and Amortization" (EBITDA), "operating costs" and "net debt"/"net cash", which are not generally accepted accounting measures under International Financial Reporting Standards (IFRS) and do not have any standardized meaning prescribed by IFRS and, therefore, may not be comparable with similar measures presented by other public companies. Non-IFRS measures should not be considered in isolation or as a substitute for measures prepared in accordance with IFRS.

The definition and reconciliation of each non-IFRS measure is presented in IPC's MD&A (See "Non-IFRS Measures" therein). Actual results may differ materially from forward-looking estimates and forecasts. See "Forward-Looking Statements" above.

Disclosure of Oil and Gas Information

This Sustainability Report contains references to estimates of gross and net reserves and resources attributed to the Company's oil and gas assets.

Reserve estimates, contingent resource estimates and estimates of future net revenue in respect of IPC's oil and gas assets in Canada are effective as of December 31, 2021, and are included in reports prepared by Sproule Associates Limited (Sproule), an independent qualified reserves evaluator, in accordance with National Instrument 51-101 – Standards of Disclosure for Oil and Gas Activities (NI 51-101) and the Canadian Oil and Gas Evaluation Handbook (the COGE Handbook) and using Sproule's December 31, 2021 price forecasts.

Reserve estimates, contingent resource estimates and estimates of future net revenue in respect of IPC's oil and gas assets in France and Malaysia are effective as of December 31, 2021, and are included in the report prepared by ERC Equipoise Ltd. (ERCE), an independent qualified reserves auditor, in accordance with NI 51-101 and the COGE Handbook, and using Sproule's December 31, 2021 price forecasts.

The price forecasts used in the Sproule and ERCE reports are contained in the AIF. These price forecasts are as at December 31, 2021.

The product types comprising the 2P reserves described in this Sustainability Report are contained in the AIF. Light, medium and heavy crude oil reserves/resources disclosed in this Sustainability Report include solution gas and other by-products.

2P reserves and contingent resources included in the reports prepared by Sproule and ERCE in respect of IPC's oil and gas assets in Canada, France and Malaysia have been aggregated by IPC. Estimates of reserves, resources and future net revenue for individual properties may not reflect the same level of confidence as estimates of reserves, resources and future net revenue for all properties, due to aggregation. This Sustainability Report contains estimates of the net present value of the future net revenue from IPC's reserves. The estimated values of future net revenue disclosed in this Sustainability Report do not represent fair market value. There is no assurance that the forecast prices and cost assumptions used in the reserve evaluations will be attained and variances could be material.

Net present values (NPV) referred to in this Report are after tax, discounted at 8% and based upon the forecast prices and other assumptions further described in the AIF.

BOEs may be misleading, particularly if used in isolation. A BOE conversion ratio of 6 thousand cubic feet (Mcf) per 1 barrel (bbl) is based on an energy equivalency conversion method primarily applicable at the burner tip and does not represent a value equivalency at the wellhead. As the value ratio between natural gas and crude oil based on the current prices of natural gas and crude oil is significantly different from the energy equivalency of 6:1, utilizing a 6:1 conversion basis may be misleading as an indication of value.

Currency

All dollar amounts in this Sustainability Report are expressed in United States dollars, except where otherwise noted. References herein to USD mean United States dollars. References herein to CAD mean Canadian dollars.

ABBREVIATIONS

bbl	Barrel (1 barrel = 159 litres)
boe	Barrel of oil equivalent, including crude oil and natural gas
boepd	Barrel of oil equivalent per day
CO ₂ e	Carbon dioxide equivalents, including carbon dioxide, methane and nitrous oxide
ERM	Enterprise risk management
ESG	Environmental, social and governance
GHG	Greenhouse gas
GRI	Global Reporting Initiative
HSE	Health, safety and environment
IEA	International Energy Agency
IPC	International Petroleum Corporation
IPIECA	International Petroleum Industry Environmental Conservation Association
KPI	Key performance indicator
LTI	Lost time incident
LTIR	Lost time incident rate
Mboepd	Thousand barrels of oil equivalent per day
MMboe	Million barrels of oil equivalents
MTI	Medical treatment incidents
OLCN	Onion Lake Cree Nation
PPE	Personal protective equipment
RWI	Restricted work incidents
SAGD	Steam assisted gravity drainage (a thermal recovery process)
SDG	Sustainable Development Goal
t CO ₂ e	Tonne of carbon dioxide equivalents
TRIR	Total recordable incident rate

*Your feedback
is valued*

TELL US WHAT YOU THINK

We welcome any questions, comments or suggestions you might have about this report and our performance.

For further information or comments, please contact:

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