



Crescent Point

# **2021 SUSTAINABILITY REPORT**

Bringing Energy To Our World -  
The Right Way

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# ABOUT THIS REPORT

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- This is our third report referencing the Global Reporting Initiative (GRI) and Sustainability Accounting Standards Board (SASB) frameworks.
- This report includes performance data for the year ended December 31, 2020. Quantitative data from 2017, 2018, 2019 and 2020 (where available) is also included to provide context.
- Unless otherwise noted, this report covers performance for Crescent Point Energy Corp., including all data where Crescent Point Energy is the operator.
- “Employees” represents full-time, permanent employees. “Staff” reflects all employees and contractors. “Workers” refers to all employees, contractors, consultants and vendors/agents.
- All data measurements and calculations, if not industry standard, are defined where they are used.
- Financial data is reported in Canadian dollars. For more information on Crescent Point’s financial data, please refer to Crescent Point’s Management’s Discussion and Analysis (MD&A) for the year ended December 31, 2020, and for the quarter ended March 31, 2021, as well as our most recent Annual Information Form (AIF), each available on our website.
- The information contained within this report has been prepared and reviewed by relevant employees and senior management, and approved by the President and CEO and the Board of Directors.
- Selected environmental, land, and safety data included herein has been assured by a third-party firm, Aster Global Environmental Solutions. The selected environmental data has been assured for both our Canadian and US operations. Please see the assurance statement on page 78 for additional detail on the scope of the assurance work and Aster Global Environmental Solutions’ conclusions.
- The terms “Crescent Point Energy”, Crescent Point”, “our”, “we”, “organization”, and “the company” refer to Crescent Point Energy Corp. and its subsidiaries and affiliated entities taken as a whole.
- The term “ESG” used throughout the report refers to Environmental, Social and Governance.
- Reserve data is from our independent reserve report, contained in the AIF.
- We plan to produce a sustainability report and update our sustainability website annually.
- For questions regarding this report, please contact [sustainability@crescentpointenergy.com](mailto:sustainability@crescentpointenergy.com).

# A MESSAGE TO OUR STAKEHOLDERS

2020 was a year of unprecedented change and uncertainty. Yet, it was also a year that helped us focus on what matters most in our business and our communities, including the importance of strong ESG performance. In this, our third annual sustainability report, we are proud to highlight the progress we have made in enhancing our social impact, governance oversight, and environmental stewardship. These initiatives are core to our purpose of “Bringing Energy To Our World – The Right Way” and have never been more important than during the past year.

From the onset of the pandemic, we prioritized the health and well-being of our staff, their families, and all of our valued stakeholders. We took decisive action to promote physical distancing and seamlessly transitioned to remote work environments while also implementing new protocols to keep our field staff safe. Our comprehensive employee benefits program enabled us to manage the impacts of the pandemic with compassion and understanding while we promoted initiatives and provided resources to support mental health during this challenging time. We also continued our efforts to promote a diverse and inclusive company meeting our target of 30 percent female representation at the Board level. In our communities, we continued to provide volunteer and financial contributions to organizations who play a critical role in providing care and assistance to those who need it most. While the pandemic brought about significant change, it also cemented our resolve to ensure the health, safety, and well-being of all those involved in our business.

As we protected the health of our staff and stakeholders, we simultaneously turned our attention to the health and prosperity of our business during this period of considerable upheaval. We immediately initiated our business continuity plans and risk management processes, both of which proved effective in enabling us to overcome challenges while continuing to produce the energy the world needs. Our governance policies provided the stable and comprehensive framework necessary to allow us to take a disciplined and consistent approach to effectively manage the impacts of the pandemic. By following our policies, we were able to protect the health and safety of our employees, our operations and the organization as a whole. Similarly, through our cost-conscious culture and proactive approach in advancing digital technologies, we improved the resilience of our business by lowering our cost structure. Ultimately, we were rewarded for our prudence and exited a year of astounding change in a position of strength with new opportunities on the horizon. Looking ahead, we will continue to build upon our strong governance foundation to further bolster our sustainability in the years to come.

In fact, a key component of our sustainability has been our leadership in responsible energy development, regardless of the impact of external factors. Our environmental performance in 2020 demonstrates our commitment to continual improvement and ensuring we minimize our impact on the natural environment. During the past year, we continued to reduce our emissions intensity and achieved a total reduction of 39 percent versus our 2017 baseline - surpassing our 2025 goal ahead of schedule. Given our exceptional progress, we have increased our targets and are now striving to reduce our emissions intensity by 50 percent by 2025, including a 70 percent cut in absolute methane emissions. We also achieved strong progress in terms of our water usage

during the past year, with notable freshwater use intensity reductions driven by further optimizing our hydraulic fracturing designs, by identifying alternative water sourcing, and through produced water recycling. Similarly, we continued to advance our proactive asset retirement program by safely retiring approximately 300 wells in 2020. This year we will expand on this commitment targeting safely retiring approximately 400 wells. Altogether, these strong performance outcomes illustrate our commitment to our purpose and help demonstrate the significant progress our teams have realized during the past year.

In summary, the resilience of our teams, our assets, and our company during the past year has been truly exceptional and it speaks to the ingenuity and perseverance of our employees to not only adapt to overcome challenges but to also find opportunities to position the company for further success. We have emerged from one of the most volatile years on record in a strong financial position with greater confidence in ourselves and our business. We never wavered on our commitment to strong ESG performance and we stood by our commitment to give back when our communities needed it most. There are exciting opportunities ahead and we look forward to reporting on our progress in achieving our ambitious ESG goals in the years to come.



A handwritten signature in black ink, appearing to read 'C Bryksa'.

**Craig Bryksa**  
President and Chief Executive Officer



A handwritten signature in black ink, appearing to read 'B Munroe'.

**Barbara Munroe**  
Chair of the Board



### **Health and Wellness**

ensuring the health, safety, and well-being of all those involved in our business



### **Strong Governance Practices**

helped us manage the impacts of the pandemic with discipline and consistency



### **Responsible Energy Development**

committing to continual improvement and ensuring we minimize our impact on the natural environment

# ESG HIGHLIGHTS



## ENVIRONMENT

**39% reduction** in GHG intensity

**~300 wells safely retired**

Dedicated **Environmental Stewardship Funding**

- **3-5%** of annual maintenance capital budget

Notable **reduction in freshwater intensity**

## SOCIAL

**Five-year best** safety performance

**\$1.7 MM** supporting ~315 charitable and community organizations

>1,000 employee **volunteer hours**

**1,800+ lunches** for local school programs

## GOVERNANCE

**Progressive diversity** programs

- **33%** female independent Board members
- **40%** female office supervisory roles

**Compensation linked** to ESG performance

Supplier pre-qualification **ESG screening**

# ABOUT CRESCENT POINT

Crescent Point Energy is a leading North American oil producer based in Calgary, Alberta.

Crescent Point's common shares trade on both the Toronto Stock Exchange and the New York Stock Exchange under the symbol CPG.

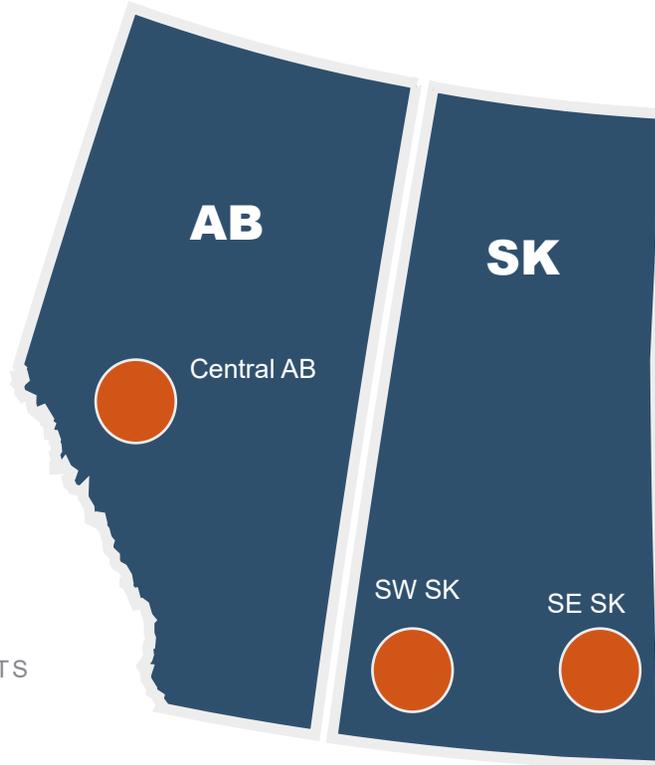
**\$874.4**  
MILLION



IN FUNDS FLOW FROM  
OPERATIONS

**>\$190**  
MILLION

IN ROYALTIES, TAXES,  
AND OTHER REVENUE  
FOR LOCAL AND  
REGIONAL GOVERNMENTS



**~665** MMBOE  
2P RESERVES

**91% CRUDE & NGLS**  
**9% NATURAL GAS**

Light & Medium Crude oil (bbls/d)	95,859
NGLs (bbls/d)	14,542
Natural Gas (mcf/d)	67,447
<b>Total boe/d</b>	<b>121,642</b>



**731**  
EMPLOYEES

**~3,000**  
SUPPLIERS



**~255** WELLS  
DRILLED

## SIGNIFICANT OPERATIONAL CHANGES:

- In the first quarter of 2020, Crescent Point sold its Saskatchewan gas infrastructure assets for cash proceeds of \$500 million.
- In response to the COVID-19 pandemic in the first half of 2020, Crescent Point decreased its capital expenditure guidance and lowered its dividend. The company also voluntarily shut-in higher cost production until market conditions improved later in the year.
- On July 30, 2020, Myron Stadnyk joined the Board of Directors.
- On April 1, 2021, the company acquired Shell's Kaybob Duvernay assets in Alberta for \$900 million, enhancing our balance sheet strength and sustainability.
- On June 7, 2021, the company disposed of certain assets in SE Saskatchewan for proceeds of \$93 million, reducing the company's asset retirement obligations by approximately \$220 million (or ~ 25 percent)

YEAR ENDED DECEMBER 31, 2020

# WHO WE ARE & WHAT WE BELIEVE

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## STRATEGY

Our strategy is to deliver **lasting market-leading value to our stakeholders** as a trusted, ethical, and environmentally responsible source for energy. We will maintain a resilient, balanced and sustainable portfolio, and apply our agile, diverse, learning mindset to optimize all aspects of our business.



## PURPOSE

We believe passionately in the power of our purpose statement, **“Bringing Energy To Our World – The Right Way.”** It is our role to satisfy global demand for responsibly developed energy with ESG standards being top of mind. We execute this by delivering consistent operational excellence and through active stakeholder engagement. Our energy is also represented by our people, what we bring to the communities we operate in and each of our relationships.



## CULTURE

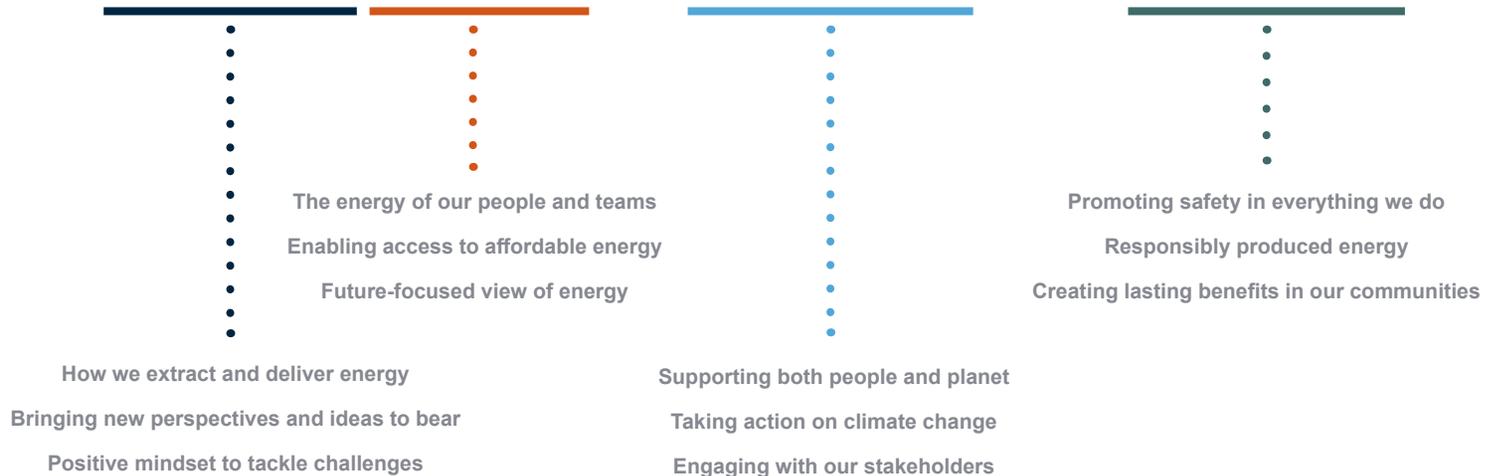
The culture of Crescent Point is defined by our people and how we work together. We develop and maintain a culture of **high performance that challenges the status quo and rewards collaboration, agility, results and ethics.** Safety is paramount. All of this creates a results-focused, solutions-oriented organization driven by a standard to always do the right thing, the right way.

# OUR APPROACH TO ESG

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Crescent Point's purpose, "Bringing Energy To Our World – The Right Way", informs our decision making across every aspect of our business. It evokes our dedication to fostering positive outcomes for all our stakeholders and shows our devotion to environmental stewardship. These principles are held throughout the organization and are integrated into our responsible development, operation, and retirement of our assets.

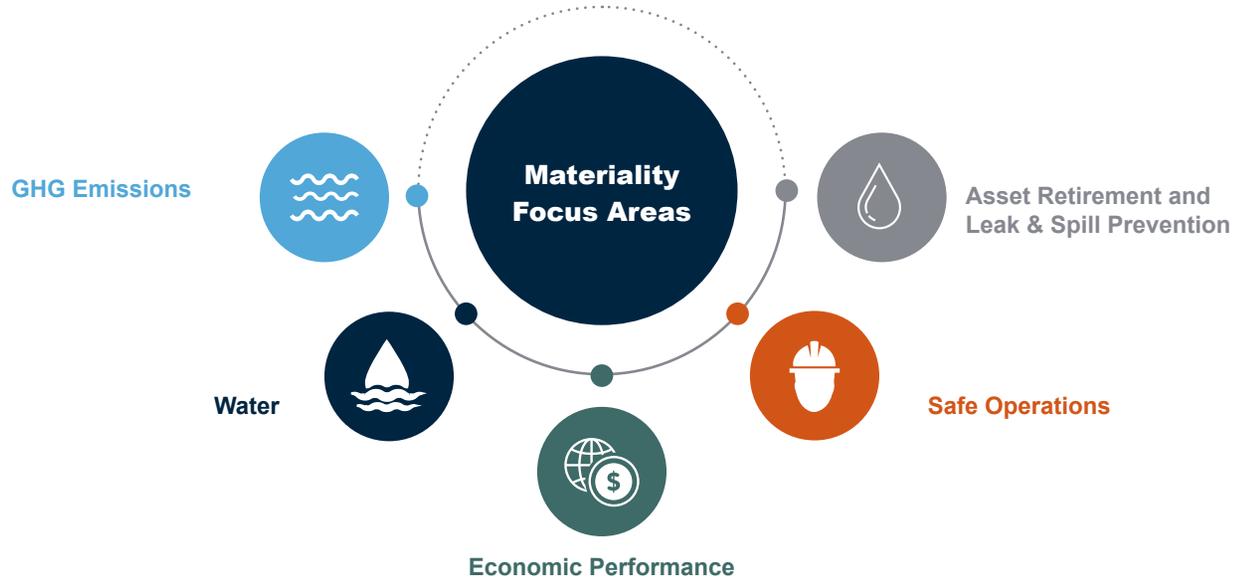
## BRINGING ENERGY TO OUR WORLD - THE RIGHT WAY



# MATERIALITY

The success of our operations is inextricably linked to the input and feedback we solicit from our many stakeholders. By actively engaging with local communities, landowners, investors, and all those involved in our business, we are able to better inform how we conduct our operations and focus our efforts on achieving mutually beneficial outcomes.

**What matters to our stakeholders, matters to us.** In 2018, we conducted our first materiality assessment, which collected important feedback and input from our stakeholders. Through this process we gained valuable insight into our stakeholders' key priorities and have aligned those priorities with our business strategies. In 2021, we intend to undertake another assessment to assess our progress in managing our stakeholder priorities and to determine if our stakeholders' key priorities have changed.



As we continue this work, we will explore the evolving link between stakeholder priorities and financial materiality. This hybrid approach will ensure that we are valuing the qualitative input of our stakeholders in terms of potential materiality to our business and combining this perspective with our quantitative analysis of the potential financial material risks and opportunities facing our organization.

# COVID-19 RESPONSE

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At the onset of the pandemic, we swiftly activated our business continuity plans and established a COVID-19 Task Force to ensure the health and safety of our employees and stakeholders as well as the resilience of our operations. The Task Force quickly developed a dedicated communication and information hub with links to trusted sources of data relevant to the jurisdictions where our employees live and work. We also conducted an employee survey to assess employee mental health and identify and support opportunities to enhance connectivity within the organization. Feedback from the survey was instrumental in helping us develop tools, resources and communication initiatives to assist our employees in adjusting to working remotely while maintaining mental health and productivity throughout the company.



## **ADAPTING TO THE LOWER COMMODITY PRICE ENVIRONMENT**

Operations shut-in and reactivation program demonstrated our agility and results-focused decision making  
Reduced executive team annual base salaries and the cash component of Board of Directors retainers



## **ADOPTING BUSINESS CONTINUITY AND SAFER OPERATING PROTOCOLS**

Implemented heightened safety protocols, including working from home, masking and maintaining physical distancing  
Utilized digital technology, supported by frequent systems testing



## **ADVANCING OUR CORPORATE FLEXIBILITY AND EMPLOYEE SUPPORT NETWORK**

Increased employee communication, including roll out of enhanced mental health resources and wellness initiatives  
Adopted Flexible Work Pilot Program for office employees

# ENGAGING WITH STAKEHOLDERS

STAKEHOLDER	COMMUNICATION	TOPICS OF IMPORTANCE
<b>Our People</b>	<ul style="list-style-type: none"> <li>Employee engagement surveys</li> <li>Regular CEO communication to staff including town halls, weekly company-wide email updates and team based "Coffee with Craig" discussions</li> <li>Company policies, including Whistleblower and Code of Conduct policies, signed off on annually by employees</li> <li>Annual employee performance evaluation and career development discussions</li> </ul>	<ul style="list-style-type: none"> <li>Safe operations</li> <li>Executive communication</li> <li>Training and development</li> <li>Employee compensation</li> </ul>
<b>Communities</b>	<ul style="list-style-type: none"> <li>Biennial distribution of public awareness brochures in all of our Emergency Planning Zones (EPZs)</li> <li>Emergency response training for local first responders</li> <li>Proactive communication and consultations regarding access to resources (water), abandonments and road use</li> <li>24-hour emergency and non-emergency number</li> <li>Online donation request application coupled with local donation committees</li> </ul>	<ul style="list-style-type: none"> <li>Environmental performance</li> <li>Emergency preparedness</li> <li>Local procurement</li> <li>Community investment</li> </ul>
<b>Suppliers</b>	<ul style="list-style-type: none"> <li>Safety meetings and emergency response drills for staff</li> <li>Updated vendor pre-qualification questionnaire with ESG metrics</li> <li>Clear safety expectations and monitoring</li> </ul>	<ul style="list-style-type: none"> <li>Safety performance</li> <li>Financial condition</li> <li>Local procurement</li> <li>Supply chain transparency</li> </ul>
<b>Investors</b>	<ul style="list-style-type: none"> <li>Quarterly earning conference calls open to all investors</li> <li>Independent meetings with investors and attendance at multiple conferences</li> <li>Annual AGM open to all shareholders</li> <li>Annual investor engagement by the Board</li> <li>Quarterly calls with research analysts</li> <li>Robust supplemental disclosure available on website</li> <li>Regular communication with lenders</li> </ul>	<ul style="list-style-type: none"> <li>Financial and operational performance</li> <li>Board diversity and governance</li> <li>Strategy</li> <li>Executive compensation</li> <li>ESG reporting</li> </ul>
<b>Government and Regulatory Bodies</b>	<ul style="list-style-type: none"> <li>Dedicated ESG and government relations team</li> <li>Participation in public policy and regulatory discussions where applicable</li> <li>Consultation on new projects and proposals</li> </ul>	<ul style="list-style-type: none"> <li>Climate policy</li> <li>Regulations concerning energy development and governance</li> <li>Market access</li> <li>Royalty frameworks</li> </ul>



# **ESG FOCUSED GOVERNANCE**

# STRONG GOVERNANCE

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In 2020, we continued to reinforce our oversight of environmental, social, and corporate governance matters to enhance our performance, strengthen our stakeholder relationships, and ensure we have robust governance mechanisms in place to manage risk. During the year, we released our second annual Sustainability Report following Sustainability Accounting Standards Board (SASB) and Global Reporting Initiative (GRI) guidelines as well as our inaugural report with respect to the Task Force on Climate-related Financial Disclosures (TCFD). These reports have helped provide further transparency regarding how we approach ESG risks and opportunities and have given our stakeholders greater insight into how we conduct our business. At the Board level, the Environment, Health & Safety Committee was revamped and renamed in 2020, becoming the Environment, Safety & Sustainability Committee, further evidencing the company's commitment to strong ESG practices. Similarly, the Board revised and updated the mandates of each Board Committee to ensure strong governance and oversight of the company's business activities.

## **Our ESG-related policies include the following:**

- Corporate Social Responsibility
- Health, Safety and Environment
- Respectful Workplace
- Whistleblowing
- Code of Business Conduct and Ethics
- Disclosure
- Insider Trading and Anti-hedging
- Board Diversity
- Fit for Work
- Corporate Sourcing and Procurement

## **ESG Reporting – Data Integrity Controls and Target Setting Process Audit**

We are committed to enhancing our ESG reporting and ensuring we maintain robust practices, set meaningful targets and report accurate, relevant performance data. Subsequent to the release of our first Sustainability Report in 2019, we engaged internal audit to conduct a review of our processes as well as benchmark our reporting against industry peers. As part of their findings, seven recommendations were made -- all of which were implemented in preparing our second annual Sustainability Report released in 2020. The review findings confirmed performance against achieving targets is monitored closely by the core departments and management, that the target setting process had quantified modeling which included inputs from key departments and were appropriately stress tested, that data integrity controls over GHG emissions data were strong, and that our reporting covered substantially all of the topics as prescribed by GRI and SASB frameworks. Further areas for improvement were noted including advancing data automation and expanding our discussion over both water and social metrics, which improvements have been made and are reflected in this year's report.

# PRUDENT RISK MANAGEMENT

Producing the energy the world needs exposes us to certain inherent risks that have the potential to impact our business and our stakeholders. We firmly believe that managing these risks proactively leads to stronger ESG performance. As such, we thoroughly examine all ESG issues that may affect us and use this information to develop risk mitigation strategies and to position us to capitalize on areas of opportunity. At Crescent Point, this risk management approach is engrained in our business strategy and includes the three risk dimensions listed below.



## Safe & Responsible Operations

- Strong safety culture
- Operational Technology (OT) platform
- Asset integrity and spill prevention
- Robust emergency response plans
- Strong IT and cyber security testing



## Proactive Financial Risk Mitigation

- Prioritizing balance sheet strength
- Disciplined capital allocation process
- Proactive hedging program
- Commitment to corporate sustainability
- Cost conscious culture

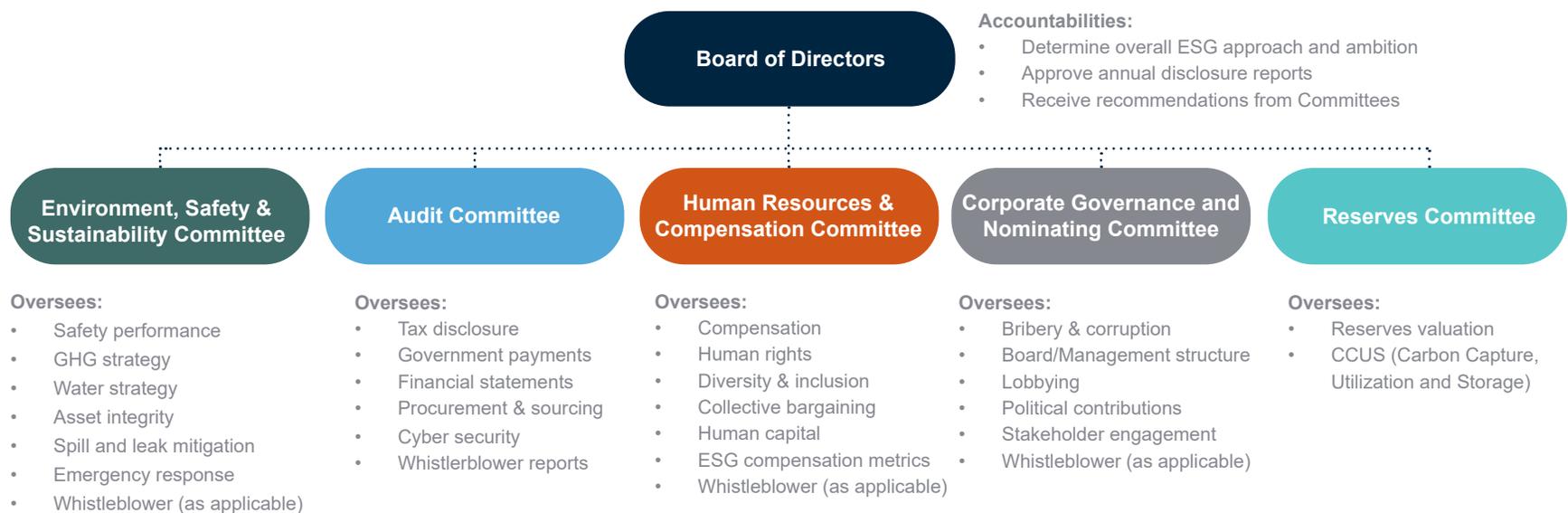


## Stakeholder Engagement

- Community investment, development and volunteering programs
- 24-hour hotline for emergency and non-emergency calls
- Enhanced risk management reporting through TCFD disclosure
- Proud corporate citizen within our operating areas

## ESG OVERSIGHT

Our Board of Directors sets the tone for our company and is actively engaged with management on ESG matters, establishing targets, monitoring performance, and providing strategic direction. While we view ESG performance and disclosure as a responsibility of the Board as a whole, we have also established clear accountabilities at the Committee level to help manage discrete aspects of our ESG performance. Each Committee reports progress updates and recommendations to the Board for consideration on a quarterly basis. Our annual disclosures, as well as our performance targets and ambitions, are approved at the Board level with input from the Committees, management, and company subject-matter experts. We have also formed an internal staff-level ESG Committee which brings together relevant groups to discuss ESG trends, best practices, and opportunities to enhance our performance and disclosure in this regard.



Accountability for ESG performance and disclosure within the organization rests with our Chief Executive Officer and is supported by our senior executive team. They work collectively to ensure the company is effectively managing risk, driving performance improvements, and maintaining compliance with all applicable laws and regulations.

## UNITED NATIONS SUSTAINABLE DEVELOPMENT GOALS

Crescent Point recognizes the United Nations (UN) Sustainable Development Goals (SDGs) which provides a universal blueprint to integrate and balance the three dimensions of sustainable development: economic, social and environmental. We have identified the goals that are most material to us as a company and incorporated them in developing our sustainability approach. However, we acknowledge the importance of all 17 SDGs in creating a sustainable future. Based on our 2018 materiality assessment, and our ability to create meaningful progress towards these initiatives, we have prioritized the following SDGs:



**Ensure access to affordable, reliable, sustainable and modern energy for all**

Our investment in technology, specifically our OT Platform, has enabled us to find efficiencies in our current operations.

Through our partnership with SaskPower and the federal government on renewable energy projects, we continue to explore opportunities to build and utilize green energy sources.



**Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all**

We contribute to the local communities in which we operate through job creation and using local suppliers of goods and services.

Our commitment to building an inclusive organization that harnesses diverse thinking, perspectives and experiences, enables all employees to innovate, grow and succeed.



**Ensure sustainable consumption and production patterns**

We are committed to "Bringing Energy To Our World – The Right Way" which commitment informs decision making throughout the development, operation, and retirement of our assets to ensure responsible production.

Through our innovative hydraulic fracture optimization and by utilizing produced formation water to support our waterflood initiatives, we are reducing the amount of freshwater we use to deliver greater sustainability in our field operations.



**Take urgent action to combat climate change and its impacts**

We believe through leveraging technology, implementing operational changes, and setting ambitious GHG emissions targets, it is possible to meet the demand for energy while addressing climate change.



**Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss**

This includes protecting the land and wildlife in our operating areas and fostering greater awareness of the value native landscapes provide to all species.

# **SOCIAL PROGRESS**



# CODE OF BUSINESS CONDUCT

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Our Code of Business Conduct outlines our commitment to living up to the highest standards of ethical behaviour and integrity including accounting disclosure and auditing, public disclosure, compliance with laws, bribery and corruption (including the acceptance of gifts and favours or payments to domestic and foreign officials), and compliance with competition and anti-trust legislation. The Code sets the standards of conduct expected from every director, officer, employee, consultant, and contractor and has been adopted by the Board of Directors. Each year, employees are required to complete an annual sign-off acknowledging their commitment to uphold these values and ethics. Company management is committed to living up to the highest standards of ethical behaviour and integrity and strives to create a work atmosphere that supports our corporate values and policies, including those outlined in the Code.

At Crescent Point we expect our staff to comply with the company's core principles which are:

- Act honestly and with integrity in all situations and at all times
- Respect people's opinions and cultural differences;
- Conduct honest and open communications;
- Be professional in everything we do;
- Accept individual responsibility; and
- Operate safe and healthy working environments.

The Code requires workers to comply with all laws prohibiting improper payments to domestic and foreign officials. Improper payments include, but are not limited to, facilitation payments, which are small payments made to government officials in order to expedite or secure the performance of routine government actions of a non-discretionary nature, which a party is otherwise entitled by law to receive. Although certain types of "facilitation" payments may not be illegal, the company's policy is to prohibit making any such payments.

It is essential to the promotion of fair dealings and efficient business practices that all those who engage in business with the company as suppliers, contractors or customers, have access to the company on equal terms. A "bribe" is an offer or gift of anything of value or any advantage that is intended to improperly influence the actions of the recipient or other person(s). Bribes may include money, gifts, travel or other expenses, hospitalities, below-market loans, discounts, favours, business or employment opportunities, political or charitable contributions, or any benefit or consideration, direct or indirect. Gifts and entertainment may only be accepted or offered in the normal exchanges common to and generally accepted in established business relationships. An exchange of such gifts shall create no sense of obligation.

The Code also requires that the company and its workers comply with all applicable Canadian, US or other foreign competition and antitrust legislation.

Behaviour which is prohibited under such legislation includes, but is not limited to, activities such as agreements with competitors to allocate markets or customers, price fixing or agreements to control prices, the boycotting of certain suppliers or customers, bid-rigging, misleading advertising, price discrimination, predatory pricing, price maintenance, refusal to deal, exclusive dealing, tied selling, delivered pricing and the abuse of dominant position.

## **RESPECTFUL WORKPLACE POLICY & TRAINING**

The company's Respectful Workplace policy addresses the rights of our workers. We believe in the prevention of discrimination on prohibited grounds and do not tolerate any degree of violence or harassment in the workplace.

During 2020, senior leaders engaged in a review and update of our Respectful Workplace policy to ensure alignment with legislative standards. The policy outlines that all workers are entitled to a workplace that is free from harassment and violence and the company is committed to the prevention of discrimination in all aspects of employment or engagement with the company.

In support of the policy and our commitment to provide a safe and respectful workplace, Crescent Point contracted with The Respect Group to provide respectful workplace training to all employees, board members, and consultants in early 2021. Successful completion of the training was included as a short-term incentive target to confirm the organization's commitment to the policy and our shared responsibility to foster respectful workplace practices. Our employees, board members and consultants showed their commitment to maintaining a respectful workplace through their 100 percent completion rate for this training.

## **VALUING HUMAN RIGHTS**

As covered in our Corporate Social Responsibility Policy, Crescent Point complies with all applicable national, provincial/state and local laws in the areas in which we operate. With all our operations based in North America, we are subject to strong Canadian and US human rights and labour laws that protect the rights of the individual to live their lives free from social, political, or economic discrimination. Employees rights to freedom of association and collective bargaining are covered under such legislation in both countries in which we operate.

We are committed to upholding these rights and freedoms and have engrained these values within our operating practices and governance frameworks.

Respect for human rights is integral to how we do business, and our approach is consistent with the human rights philosophies outlined in the following codes and frameworks:

- Employment Standards Codes
- Human Rights Acts
- Personal Information Protection Act
- Occupational Health and Safety Codes
- Fair Labor Standards Act (FLSA)
- Title VII of the Civil Rights Act
- Age Discrimination in Employment Act (ADEA)
- Americans with Disabilities Act (ADA)
- International Labour Organization Declaration on Fundamental Principles and Rights at Work

Our commitment to respecting human rights is aligned with the United Nations Guiding Principles on Business and Human Rights. According to these principles, governments have the primary responsibility to protect human rights, and our responsibility is to respect human rights and conduct our business accordingly.

### **Respecting Indigenous Peoples**

As a company, we are driven to ensure our operations support and advance the positive development of our operating communities. We recognize that Indigenous Peoples often have profound connections to the land and that these form part of their physical, spiritual, cultural and economic well-being. We value the input and engagement of our Indigenous communities in sharing traditional knowledge relating to our operating areas, identifying cultural and environmentally sensitive areas, and working together to develop opportunities for economic and social progress. Several of our operating areas are located in or near Indigenous lands, representing approximately 10 percent of our total proved plus probable reserves at December 31, 2020. As part of our commitment to ensuring our operations have a positive impact across our value chain, we have partnered with a number of Indigenous contractors to perform site remediation and reclamation. We are proud of the success we have had to date with our Indigenous partners, in particular through our joint efforts to retire inactive wells under the Accelerated Site Closure Program in Saskatchewan. We have also engaged local band-owned entities for project work and have engaged local Indigenous groups to complete traditional land use surveys prior to lease construction for new development activities. We look forward to expanding our Indigenous engagement in connection with our recent acquisition of Duvernay assets in Alberta and across all of our operating areas.

We provide opportunities for Indigenous engagement in our supply chain processes to build capacity and utilize the vast skills and experiences of our Indigenous partners. Our development activities follow established policies and procedures, as well as knowledge gained from consulting with Indigenous communities, to acknowledge respect for traditional lands and recognize the value these communities can have in enhancing the outcomes of our operations.

### **Formalizing our Commitment**

We are committed to building and maintaining respectful relationships with Indigenous communities to further support their engagement. Our recent Duvernay acquisition has increased our land holdings located within Traditional Territories and we look forward to formalizing our policies to support further engagement with our valued Indigenous partners. This commitment will include:

- Incorporating shared traditional knowledge to influence our projects by minimizing the impact on areas with significant heritage value and supporting the preservation of Indigenous culture;
- Seeking mutually agreed upon mitigation strategies to minimize project impacts to traditional resources;
- Promoting Indigenous economic opportunities in the development of our assets; and
- The establishment of project grievance mechanisms.

## **WHISTLEBLOWING POLICY**

Our Whistleblowing Policy reflects our commitment to high ethical, moral and legal business conduct. It allows employees, consultants and external stakeholders to anonymously report concerns regarding financial controls and audit matters, fraud and/or theft, bribery and corruption, harassment, workplace violence, substance abuse, conflict of interest, discrimination, human rights and safety concerns. The Whistleblowing Policy is overseen by our Audit Committee and sets out procedures to address the receipt, retention and treatment of complaints and concerns received, and outlines measures taken to protect the confidentiality and anonymity of any submissions. The Whistleblowing Policy is posted on our website and individuals may report concerns to an independent third-party via a toll-free telephone number, website, or anonymous email. In addition to the adoption of the Whistleblowing Policy, management has instituted detailed procedures governing the investigation of whistleblower complaints. These procedures have been designed to ensure effective, comprehensive, independent and conflict-free investigations.

# ESG FOCUS THROUGHOUT OUR VALUE CHAIN

At Crescent Point, we take a full cycle view of our operations and recognize that our value chain must be viewed as an extension of our business. That is why we strive to build strong engagement with our suppliers and contractors who are essential to our overall success. In 2020, we continued the implementation of our pre-qualification procurement program, including through the adoption of our Corporate Sourcing and Procurement Policy and Procedure, to gain better insight into the operating practices, values, and commitments of our suppliers and contractors. Our supplier pre-qualification process includes questions designed to assess supplier and contractor health and safety performance, motor vehicle safety, business health, insurance, and ESG metrics, including environmental stewardship, Indigenous engagement and employment, and business ethics. To ensure our operations have a positive impact across our value chain, we regularly engage with our suppliers and contractors to understand their perspectives and convey our expectations in relation to safety, diversity and inclusion, and responsible business practices. We believe that this engagement helps align our supply chain to our values and reinforces our commitment to creating lasting benefits.

## Snapshot of our pre-qualification screening

### CORPORATE SOCIAL RESPONSIBILITY

Does your company have a whistleblower policy or mechanism in place?

Does your company have a non-discrimination policy in place (policy on equal treatment of employees irrespective of criteria such as gender, sexual orientation, race, or religion)?

Does your company support minimum living wages?

Does your company have a policy regulating the provision of gifts, entertainment, travel, lodging, hospitalities, donations, grants or anything of value directly or indirectly to government officials and private third parties?

Does your company have a policy around maximum working hours?

Does your company support freedom of association and the right to collective bargaining?

Does your company prohibit child labour?

Does your company support acceptable living conditions?

Does your company condemn corporal punishment/disciplinary practices?

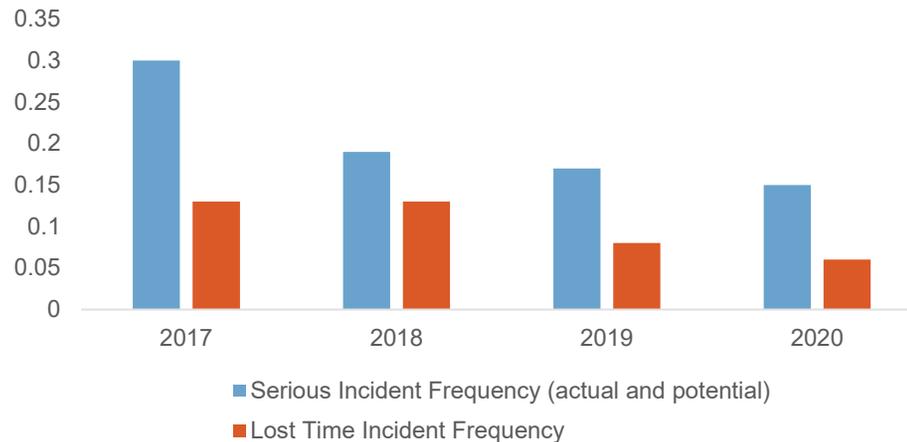
Does your company condemn forced labour?

# SAFE OPERATIONS

We have no greater responsibility than keeping our employees, contractors, and community partners safe. Our commitment to safe operations, both in the field and the office, helps ensure the ongoing health and safety of our stakeholders. This commitment has never been more important than during the past year as the world grappled with the COVID-19 virus. From the onset of the pandemic, Crescent Point took immediate action to help stop the spread of the virus by implementing remote work arrangements for our office staff and new safety protocols for those in the field. Making use of our new workflows and early investments in digital technologies, we were able to quickly adapt our operations to support physical distancing while also gaining added functionality in our field operations and improving overall connectivity amongst our teams.

One example of this was our shift to virtual emergency response planning which enabled groups to connect and collaborate across geographical areas. As a result, we now have greater confidence in our ability to respond in real-time to incidents as they occur, bringing together our full technical and non-technical expertise as well as that of our community partners and first responders. In addition, as part of our emergency response preparedness initiatives, we routinely engage with external parties to provide training and experiential learning through drills that simulate potential incidents and risks.

**Safety Performance**  
(Incidents per 200,000 hours)



## SAFETY PERFORMANCE

Our relentless focus on safe operations continues to yield strong results. Our key performance indicators of lost time incident frequency (LTIF) and serious incident (actual and potential) frequency (SIF) demonstrate a track record of continued performance improvement. Through our dedicated focus, we achieved new five-year lows in both metrics in 2020. This achievement reflects the third year in a row we have achieved new five-year lows in LTIF and SIF. These achievements are a direct result of our engagement with employees and contractors, engagement we use to convey our high expectations around safety and ensure everyone we work with shares our values to promote a safe and healthy working environment. We also use our regularly scheduled safety meetings and field operations stand-downs to further emphasize our commitment to safety and to foster a shared sense of ownership around safety performance.

In addition, management has taken steps to promote safety risk management by having employees complete behaviour-based safety training, by focusing on hazard identification, by encouraging risk observations and by implementing risk mitigation practices. Our proactive approach helps ensure that potential risks are identified and managed prior to an incident occurring and it supports our commitment to ensuring all of our stakeholders go home safe each and every day.



**260 employees and consultants have completed behaviour-based safety training (as of year end 2020)**

**Over 2,200 preventative hazard identifications / stop and think observations.**

## CONTRACTOR SAFETY

Through our active outreach with contractors and service companies we have made clear our commitment to safe operations and our requirement that our contractors and service companies share this commitment. As part of this commitment, we have promoted our proactive approach to risk management and encouraged our suppliers and contractors to join our efforts in identifying hazards, managing potential exposures and sharing positive safety observations to prevent incidents. We also use our routine safety stand downs within our field operations to help prioritize safety above all else and drive engagement from those working on our behalf. We do all this because we know our responsibilities extend beyond our own employee base and include all aspects of our business. Leading by example, we are able to set a high standard of excellence and ensure the continued health and safety of our stakeholders. We believe our efforts to-date have had a significant and positive impact on the safety of our entire operations.



One of the most impactful safety awareness programs we have launched has been our Line of Fire campaign which encourages everyone to contemplate risks and take proactive steps to mitigate the potential for harm. By identifying hazards and limiting their potential, we help ensure safe operations in the field and in the office.



# OUR COMMITMENT TO STARS

## Why is STARS important?

STARS Air Ambulance provides an opportunity to save lives and better serve patients and their families, particularly those in rural and remote areas. We believe support for this essential service is more critical now than ever before. Through the COVID-19 pandemic the importance of everyone having access to emergency medical care has become even more evident.

## Over \$7.3 MM in support

We have provided over \$5.8 MM in funding to STARS and, with our renewed commitment announced in early 2021, have committed a further \$1.5 MM to support its life-saving mission.

## Continued Support

2009 -  
early 2010

## Idea Generation

Meeting with STARS and the Minister of Health about the potential for expansion for STARS in Saskatchewan.

2010

## Proposal

Proposal prepared to the provincial government review. STARS announces their support.

2011

## Announcement

Official announcement and press release of our commitment of \$5 MM to STARS Saskatchewan Operations.

2012

## Launch

STARS launches in Saskatchewan in April 2012.



## Our Commitment to Safety

At Crescent Point, safe operations are paramount. Our safety culture is centered around our belief that all jobs can be done safely, and that safety is not to be compromised. Our partnership with STARS reiterates our commitment to safety and helps promote these values within the broader community.

# OUR PEOPLE



Crescent Point's strong culture and highly engaged workforce were the framework within which the company was able to quickly address the challenges of 2020 and the COVID-19 pandemic and to rally our team to work in new ways. By leveraging our comprehensive People Strategy, repositioning existing and evolving programs, and instituting new people-centric approaches, we ensured that our people were supported, engaged and connected to peers, leaders and company resources throughout the year.

Our people drive our success, and their well-being and resilience are important to us. In 2020, employee wellness was more important than ever as our people managed unprecedented work and home stresses. We pivoted our program delivery to support people working either remotely or in our field environments. Building and maintaining connection is part of our approach to wellness. For instance, we support the physical, financial and psychological well-being of our workforce through a yearly Wellness challenge, monthly program themes, and a bi-weekly Wednesday Wellness Break pilot, which pilot brings employees together to take a break and focus on health. Our yearly Wellness Challenge includes representation from all locations, with field staff representing 30 percent of the participants.

To help facilitate great work/life balance, and in response to employee feedback, Crescent Point developed a flexible work pilot program enabling employees to work from home up to two days per week. The goal of the program is to promote work/life balance and support mental health and well-being. The program design incorporates best practice research and employee opinions from flex-work questions included as part of the company's COVID-19 return-to-office readiness survey. The six-month pilot program was successfully launched during the fall 2020 workplace re-entry period, with more than 60 percent of office-based employees participating. The pilot was temporarily put on hold as we returned to work from home, but will be reinstated when local health authorities permit full reopening of our office spaces.

## CULTURE

The Crescent Point culture is defined by our people and how we work together. In early 2020, we launched a revised purpose statement, core convictions and guiding principles to define the elements of our corporate culture that make Crescent Point a great place to work. We identified collaboration, agility, results and ethics, to be the key elements that define our high-performance culture. A culture that challenges the status quo. By doing so, we have created a results-focused, solutions-oriented organization with clearly set expectations. In short, we expect our people will always do the right things, the right way. The COVID-19 pandemic was an unprecedented test and each of these elements was foundational to how the organization approached and allowed our culture to thrive over the year.

Our vibrant culture is often characterized by connections, collaborations and conversations throughout our office locations and field sites. In 2020, we established a bi-weekly Virtual Networking event for employees to foster the spirit of our culture while working

remotely. Through this initiative, employees have been building new relationships in a fun and informal atmosphere with colleagues they would otherwise not necessarily meet.

 <p><b>Collaboration</b></p> <ul style="list-style-type: none"> <li>United and inclusive</li> <li>Commitment to make a positive contribution</li> <li>Relationships and synergies</li> </ul>	 <p><b>Agility</b></p> <ul style="list-style-type: none"> <li>Adaptive and open-minded</li> <li>Curiosity and continuous improvement</li> <li>Diversity of thought to challenge the status quo</li> </ul>	 <p><b>Results</b></p> <ul style="list-style-type: none"> <li>Outcome focused and merit-based</li> <li>High performance and collective success</li> <li>Discipline, quality decision-making, and goal accomplishment</li> </ul>	 <p><b>Ethics</b></p> <ul style="list-style-type: none"> <li>Do the right thing, the right way</li> <li>Mutual trust and accountability</li> <li>High standards of conduct and compliance</li> </ul>
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## EMPLOYEE ENGAGEMENT

At Crescent Point, we pride ourselves in our employee engagement. Our engagement metrics over the past two years have been consistently better than peer norms. Beginning in 2021, our approach to engagement has evolved to include a series of pulse surveys. This approach will provide us with the opportunity to adjust questions to reflect the evolving priorities of the organization. The surveys will include measurements of the impacts of the pandemic on our business and our people in order to build and advance effective action plans. We plan to continue to include sustainable engagement and industry benchmark questions in our pulse surveys to ensure we assess our capabilities against peer data.

	<p><b>An engagement survey in 2020 resulted in an impressive</b></p> <p><b>97%</b></p> <p><b>PARTICIPATION RATE</b></p>	<p><b>Achieved an industry-leading</b></p> <p><b>91%</b></p> <p><b>ENGAGEMENT SCORE</b></p>
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## Employee Communication

During 2020, Crescent Point leadership hosted seven employee town halls that were broadcast live from Calgary to field and US office locations. The objective of the town halls was to allow employees the opportunity to hear about current business priorities and directly pose questions to our CEO and management. Employees also have opportunities to connect informally with the CEO via smaller group “Coffee with Craig” sessions. Employees can submit questions in advance or ask questions directly to Craig during these meetings. This provides an opportunity for individual teams to connect one-on-one with Craig and discuss our corporate strategy and priorities and how they specifically relate to that team's role in the organization.

We also actively communicate to all employees through bi-weekly company-wide email messages that include business updates and other matters of interest from our CEO and bi-weekly interviews with members of our executive team that are posted to the company intranet. Through these messages, we provide our employees with current business updates, personal and leadership perspectives and other information of interest to our employees.



## PEOPLE STRATEGY

Crescent Point's People Strategy was developed in 2020 to align our talent programs with the new corporate strategy and purpose, Bringing Energy To Our World – The Right Way. This five-year People Strategy reflects the maturation of our approach, as we have moved from a talent management to a talent enablement philosophy.

Our People Strategy provides a roadmap to guide investment in talent that will deliver the strategic capabilities we need. Our strategy is also designed to ensure all Human Resources and Talent programs and processes are inclusive. Using this framework, we enable career development that is employee-led, leader supported and aligned with our purpose, core convictions and guiding principles.

During 2020, we refined our performance management process to better reflect our talent enablement philosophy and to strengthen the connection between strategy, individual performance, and corporate results. We have integrated this refined process with Workday, our people management software, and have completed individual goal setting and assessments that are aligned with the organization's Culture Attributes.

**Delivering people programs and services to:**

			
<b>Attract, develop, motivate and retain</b> a highly engaged workforce	<b>Build an inclusive organization,</b> and harness diverse thinking to innovate and grow	Create an <b>outstanding employee experience</b>	Drive a <b>high-performance culture</b>

### Goal Setting and Performance Management

In order to foster an environment of growth, it is essential for our employees and their leaders to have regular conversations about career progression, goals and progress. Each year, employees and their leaders set goals relating to each employee's contribution to the corporate strategy. Progress is reviewed both mid and end-of-year. Consistent feedback is provided and individual goals are aligned with the corporate strategy, helping to ensure a strong connection between pay and performance. In 2020, approximately 96 percent of employees received a formal performance review and career discussion.

## LEARNING AND DEVELOPMENT

By supporting our people in their learning and development, we are actively planning for our future. As part of this commitment, we initiated a comprehensive employee and leadership development program in 2020 to provide development opportunities for current employees and nurture future leaders and to support succession planning. Due to the pandemic and our remote working conditions, many of these development opportunities were delivered virtually.

In 2020, twenty-four of Crescent Point's leaders participated in "Leading virtually" and "Communicating for success" virtual training. In addition and in response to the COVID-19 pandemic, we engaged the Canadian Mental Health Association and an occupational health physician to offer sessions to all employees on various pandemic-related topics through the year. These events provided expert opinions, focused discussion, and an open forum for questions.

For 2021, we will continue to focus on developing our employees through self-directed and virtual employee and leader learning and development activities. For example, Crescent Point has contracted The Ken Blanchard Companies to pilot Situational Leadership II® training to 60 of our leaders. In addition, a further 100 leaders and individual contributors will pilot Franklin Covey's All Access Pass®, a blend of required learning plans and open access to all learning content and resources via a portal. Both initiatives are sponsored by senior leadership, who will work with participants to evaluate the course content, how outcomes are applied to participants' roles, and will measure the success of the pilot.

All employee and leader professional development will be supported in 2021 through a series of Learning Accelerators and technical training. Each Accelerator includes a curated list of diverse, self-directed learning options designed around Crescent Point's Leadership Capabilities and Culture Attributes. To continue to develop our employees' technical skills, specific offerings are being also piloted via the SAGA platform.

### **Succession Planning**

An important component of our development strategy is succession planning at the senior management level. By proactively planning for succession, we ensure the organization has a pipeline of talent with the necessary skills for future years. A formal deep-dive talent review is conducted annually with the Board to ensure future C-Suite talent is identified and developed. Continuing work that was started in 2019, Crescent Point developed customized senior vice president and vice president success profiles in 2020 that describe the optimal leadership attributes and characteristics required to achieve senior leadership success in given roles. A comprehensive assessment of all senior-level leaders was conducted against these profiles, including completing self-assessments, conducting market interviews and soliciting 360-degree feedback. The resulting data has been used as a key input in developing individual plans and succession planning for senior level roles, strengthening business continuity and reducing risk.

## COMMITMENT TO DIVERSITY

**Crescent Point recognizes the beneficial impact of diversity on decision-making and leadership within the company.** Our People Strategy speaks to our efforts to enhance diversity of skill sets and experiences to ensure a broad range of perspectives are being considered and included in our business practices. This diversity of viewpoints adds to the richness of our culture and helps better inform our corporate direction and strategy.

Our senior leadership success profiles were developed to include key competencies, skills and behaviours required of inclusive leaders. This work is foundational to Crescent Point's commitment to developing inclusive leaders and essential to promoting diversity across all areas of the business. In early 2021, all Crescent Point directors and executive team members participated in a conscious inclusion workshop focused on the science behind unconscious bias, increasing awareness of individual reactions to differences and applying learnings to ensure equity and inclusion in our talent processes.

## DIVERSITY POLICY

Our Diversity Policy outlines the Board's commitment to an identification and nomination process that seeks out qualified female candidates. Our President and CEO is a member of the 30% Club which seeks to achieve better gender balance at the Board and senior management levels, with a focus on building a strong foundation of business leaders committed to meaningful, sustainable gender balance in business leadership.

Our Diversity Policy has been revised to increase the target female representation level of the Board from at least 20 percent to at least 30 percent of the independent members of the Board while also expanding the concept of diversity to explicitly include diversity of gender expression.

To measure the effectiveness of this Policy, the Corporate Governance and Nominating Committee ("CG&N"), among other things:



**reviews the number of women considered** or brought forward for both Board and executive officer positions



takes into account the **skills, knowledge, experience and character** of any such women candidates



ensures that women candidates are **fairly considered relative to other candidates**

On an annual basis, the CG&N Committee measures the diversity of the Board and reports to the Board with respect to the company's annual and cumulative progress in achieving the objectives of the Policy.

## Diversity Targets

Crescent Point is committed to building an inclusive organization that harnesses diverse thinking to innovate and grow. Through our People Strategy, we are transforming our talent programming using an inclusive design lens where diverse points of view and talent are supported. In 2020, the company initiated a leadership assessment and development program to assess current skill sets, support the development of inclusive leaders and provide them with opportunities for growth and development. This work is foundational to Crescent Point's succession planning and has proven essential to ensuring the company continues to promote strong diversity across all levels of the business.

In addition, we have achieved our increased target female representation level of the Board of at least 30 percent of the independent members of the Board.

As a result of the company's diversity initiatives, approximately 40 percent of our office supervisory roles are now held by women. Similarly, 33 percent of our Board independent director roles are held by women.

### Women on the Board



### Women in Leadership

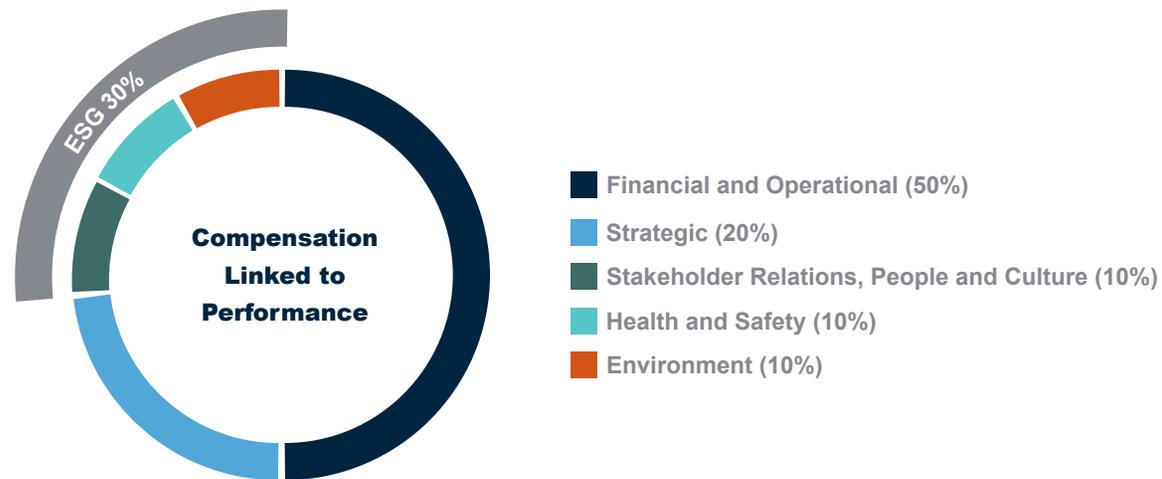


## Diversity Programs

A Women Leaders Network was introduced in 2021 to bring female leaders and technical professionals together for peer support, mentorship, relationship building, networking, leadership development and idea generation. More than 80 women are currently participating in the network through quarterly all-member meetings and monthly cohort meetings. The network also engages and shares resources through a Teams site, and through a quarterly book club.

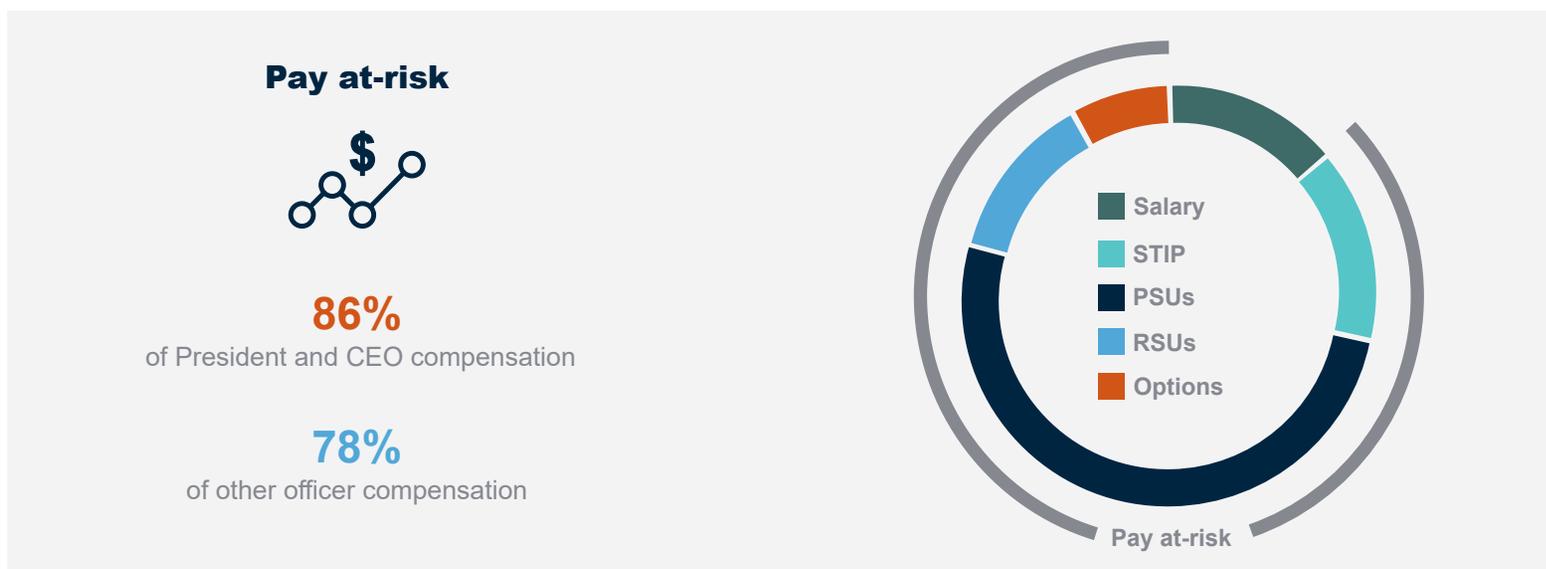
# ESG ALIGNED EXECUTIVE AND EMPLOYEE COMPENSATION

We are committed to ensuring our compensation programs pay for performance and align management and employee interests with our business strategy and stakeholder interests. One way we do this is through our short-term incentive plan (“STIP”) scorecard. In 2020, we strengthened the link between pay outcomes and ESG performance in the STIP scorecard by increasing the weighting of ESG goals to 30 percent with the inclusion of Health & Safety (10%), Environment (10%), and Stakeholder Relations, People and Culture (10%) goals. As a result, environmental success is now evaluated separately from Health & Safety, and the weighting applied to environment goals has increased. Taken together these changes highlight the increased focus and importance the company has placed on environmental and ESG performance. For instance, new Stakeholder Relations, People and Culture goals measure how we foster positive relationships and engagement with our various stakeholders, including shareholders, employees, lenders, government and regulatory bodies, suppliers and contractors, and the communities in which we operate. Achievement of these goals directly impacts short-term incentive compensation for all employees across the organization.



In addition, ESG metrics are also embedded in the Strategic and Portfolio metric that represents 25 percent of our long-term incentive Performance Share Unit (“PSU”) scorecard. This metric measures our achievement of strategic objectives, developing people, ESG performance, and management performance in furtherance of our strategy over a three-year performance period.

We believe that a portion of employee compensation should be linked to our overall performance, and as such, a portion of all employees’ compensation is at risk. The percent of compensation at risk increases with level of role within the organization. At the most senior level, 86 percent of our President and CEO compensation and 78 percent of other officer compensation, on average, is contingent on performance, measured through short and long-term incentive scorecards and share price performance.



# COMMUNITY ENGAGEMENT

## GUIDING PRINCIPLES



### **Fair, frequent and respectful engagement**

We actively engage in dialogue with all relevant stakeholders to understand their concerns, inform them of our plans and work together to collaboratively identify solutions.

### **Long-lasting, positive impact**

We are committed to creating mutually beneficial relationships and strive to create a positive impact on the economic and social strength of the communities where we operate. We do this by engaging with the communities in which we work to more fully understand their culture and needs, by creating jobs, by investing in infrastructure improvements and by making meaningful contributions of financial and human capital to charitable and non-profit organizations across our operating areas.

### **Safe, ethical and reliable operations**

We operate in a manner that minimizes impacts to the natural environment while maximizing the safety of our people and communities. Our executive team is responsible for reviewing and approving the annual community investment budget and partnership programs.



## PROCESS



Before we commence any work, Crescent Point determines all stakeholders impacted by the work. We identify and communicate any potential risks to relevant stakeholders and, where applicable, conduct an environmental assessment to identify areas of cultural or historic importance. We engage with stakeholders to inform them of the company's emergency response plan using our public awareness brochures and provide them with appropriate contact information. Our 24-hour emergency response line is used for both emergency calls and stakeholder concerns. These calls are routed to the appropriate Crescent Point personnel which may include the area foreman, stakeholder relations or landman. All calls to the emergency response line are treated with the same priority as an emergency.

We continue to build long-lasting relationships with our stakeholders and create positive impacts in the communities where we operate. We follow up on any community concerns in a timely fashion and conduct in-person meetings where appropriate to build and maintain these important relationships.

## COMMUNITY INVESTMENT

Since inception, we have committed over \$30 million to the communities where we live and operate. This investment is made through our formal community investment program, and shows just one of the ways we deliver a long-lasting, positive impact on these communities. Our corporate giving strategy focuses on **supporting education, health, safety & environment, and community infrastructure**. Our commitment to these pillars ensures that our communities are well supported, providing the residents with access to needed facilities and resources.



### Corporate Giving Pillars:

Education  
Health, Safety & Environment  
Community Infrastructure



### Over \$1.7 MM in 2020

supporting 315 local  
charitable organizations and  
community groups



### Over 1,000 volunteer hours safely logged

while adhering to local  
health and safety protocols

### Health, Safety and Environment

Over the years, we have continuously funded and supported many charitable and non-profit organizations that strive to provide healthy and safe environments in our communities. This includes the long-standing support we have provided to STARS Air Ambulance (lead and founding donor in Saskatchewan), to several hospitals, medical centres and first responders (including \$4.5 MM to the Weyburn and District Hospital Foundation) and to organizations providing shelter and family-centered support.

### Education

We proudly support all levels of education using interactive experiences such as Earth Rangers, Classroom Champions and Junior Achievement to foster a rich learning environment. We believe that everyone should have access to education regardless of their circumstance. We help make this possible by sponsoring TELUS Spark's community access program and transportation and admission costs for schools in remote areas to visit the Saskatchewan Science Centre.

In order to attract future talent to our industry, Crescent Point also provides direct support to individuals pursuing their education, including by establishing several scholarships for Indigenous, high school and post-secondary students in our areas of operation. While the criteria for each scholarship varies, all of them reward students who hope to have a bright future in oil and gas.

## Community Infrastructure

Over the years, we have supported local community infrastructure by providing funding for recreation centres, arenas, swimming pools, legions, parks and first response equipment. For example, in 2020, we helped fund a 24-hour mobile medic unit stationed in Frontier, SK. The purchase of this rescue vehicle provides medical support locally.

## Employee Participation

We encourage our employees to get involved with our community investment program through volunteerism and internal participation. In 2020, we were able to log over 1,000 employee volunteer hours safely. Due to the COVID-19 pandemic, this came with many restrictions and protocols; however, we utilized outdoor volunteer opportunities to safely distance while supporting the community during a challenging time. Our employees spent time harvesting vegetables for food banks, preparing meals and sorting donations in small groups at local shelters and assisted with yard work and maintenance at parks and family centres.

We also continued our annual programming including our internal Wellness Week in conjunction with the Canadian Mental Health Association. During this week, we provided educational seminars for our employees and helped them identify strategies to help maintain their mental health while raising funds for mental health charities.

We made a conscious effort to focus all holiday celebrations on giving back to our communities this year. We were able to provide over \$30,000 and countless food donations to local food banks, along with gift packages and toys for families, kids and seniors in our local communities.





# SUPPORTING OUR COMMUNITIES DURING THE COVID-19 PANDEMIC



# 12 DAYS OF GIVING

- \$30,000 + along with countless items donated to local food banks
- 12 family gift packages donated to the Children's Cottage Society
- Toys and gifts donated to several shelters needing gifts for families staying with them over the holidays
- 25 gift boxes prepared for Senior's Secret Service

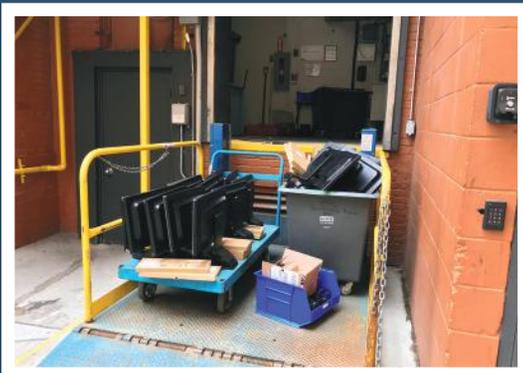
# 1,800+ LUNCHES

Made in-house for local children relying on school lunch programs



# ~950 LBS OF POTATOES

Harvested for the Carlyle & District Food Bank's 'Grow a Row' program



# 25 COMPUTERS

Donated to Inn from the Cold alongside an industry partner to ensure students were able to keep up with their schoolwork virtually

# 1,000+ HOURS

Spent volunteering in the community safely





# **ENVIRONMENTAL STEWARDSHIP**

# ENVIRONMENT

## Responsible Resource Development

At Crescent Point, we take a full-cycle view to ensure we develop our assets responsibly. By taking this approach we are able to use our strong corporate governance to fully consider how our actions impact the environment and society. We believe that the best way to ensure responsible resource development is to imbue these considerations throughout the life cycle of our assets and develop mechanisms to ensure we deliver lasting, positive benefits for the environment, our stakeholders and the company.

In our resource development we commit to the following principles:

	PLAN	DEVELOP	OPERATE	RETIRE
ENVIRONMENT	<ul style="list-style-type: none"> <li>Assess natural resource inputs and outputs (air, land and water)</li> <li>Design programs to reduce GHGs, water use, and land footprint</li> <li>Explore new technologies and development approaches</li> </ul>	<ul style="list-style-type: none"> <li>Ensure efficient use of resources required to develop the project</li> <li>Employ mitigating actions to further reduce environmental impacts</li> <li>Ensure compliance with all relevant laws and regulations</li> </ul>	<ul style="list-style-type: none"> <li>Initiate programs to monitor for environmental impacts</li> <li>Ensure effective protections are in place through asset integrity</li> <li>Test and evaluate emergency response preparedness</li> </ul>	<ul style="list-style-type: none"> <li>Develop plans to restore the natural landscape to its pre-disturbance state</li> <li>Assess potential for and mitigate long-term impacts to the environment</li> </ul>
SOCIAL	<ul style="list-style-type: none"> <li>Engage early and often with our stakeholders</li> <li>Develop plans to mitigate disruptions in the community</li> <li>Incorporate Indigenous and traditional knowledge</li> </ul>	<ul style="list-style-type: none"> <li>Ensure safety is prioritized in our development activities</li> <li>Utilize local &amp; Indigenous services and contractors where possible</li> <li>Minimize disruptions to the local community</li> </ul>	<ul style="list-style-type: none"> <li>Ensure safety is prioritized in our operations activities</li> <li>Work with local first responders and emergency services to build capacity</li> <li>Engage with stakeholders to support mutual benefit sharing</li> </ul>	<ul style="list-style-type: none"> <li>Engage stakeholders in asset retirement planning and decommissioning</li> <li>Development mechanisms to ensure positive legacy impacts and supports for the community</li> </ul>
GOVERNANCE	<ul style="list-style-type: none"> <li>Apply disciplined capital allocation framework to new development</li> <li>Ensure processes are in place to assess risks and opportunities</li> </ul>	<ul style="list-style-type: none"> <li>Ensure controls are in place to manage project risks</li> <li>Utilize vendor pre-qualification to screen suppliers and contractors</li> </ul>	<ul style="list-style-type: none"> <li>Utilize internal controls to manage operational and financial risk</li> <li>Protect against commodity price volatility through hedging</li> </ul>	<ul style="list-style-type: none"> <li>Dedicate adequate funding to asset retirement and decommissioning</li> <li>Commit to proactively addressing end of life obligations</li> </ul>

## OUR COMMITMENT TO ENVIRONMENTAL STEWARDSHIP

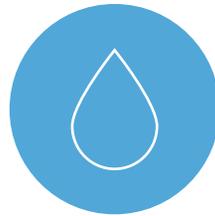
As part of our commitment to environmental stewardship, we are dedicating three to five percent of our annual maintenance capital requirements in our corporate capital allocation framework to environmental projects relating to air, water, land, and asset integrity – including emission reduction, asset retirement, and leak and spill detection and prevention projects.

### Dedicated funding of 3-5% of annual maintenance capital to support environmental stewardship initiatives



#### Emissions Reductions

50% reduction in GHG intensity and 70% reduction absolute methane emissions by 2025



#### Water Use

Targets to be announced later in 2021



#### Spill Prevention & Leak Detection

Continual improvement in spill and leak prevention and detection tied to annual compensation



#### Asset Retirement

30% reduction in inactive well count within 10 years

# AIR

Taking action to combat the risks of climate change is a priority for us and our stakeholders. Our approach considers GHG emission impacts at every stage of development and seeks to prevent emissions through prudent planning, and to mitigate emissions through the application of new technologies and through improved practices. This holistic approach has enabled us to achieve notable progress in reducing our emissions and transitioning to a lower-carbon future.

## Our Approach to Reducing Emissions

### PREVENT

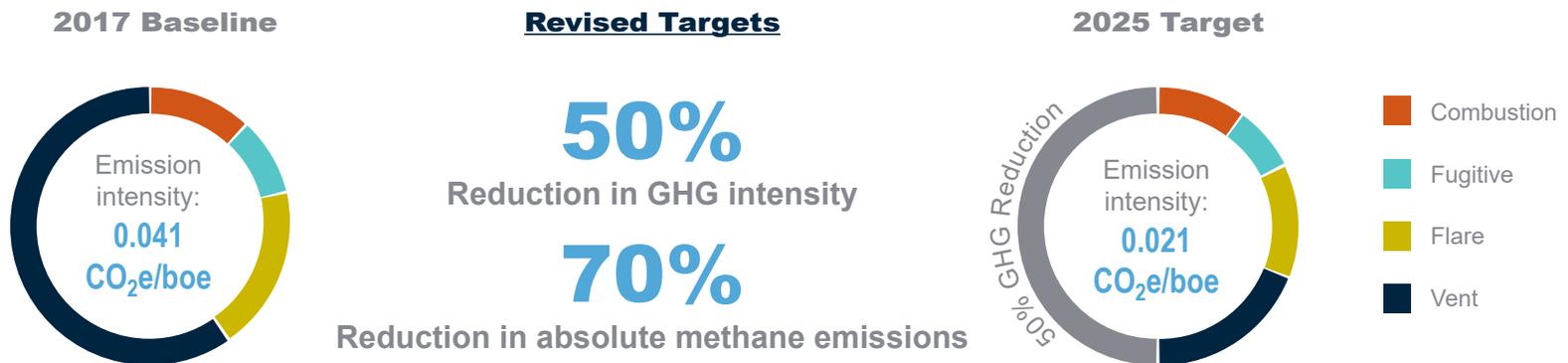
The most effective way to lower our emissions intensity is to prevent the potential for GHG emissions in our operations. In practice, this means taking a proactive approach to resource development to integrate gas conservation and commercialization. By capturing these emissions, we not only lower our GHG intensity, we also generate revenue from the produced gas from our wells.

### MITIGATE

For existing infrastructure, or in areas where gas conservation is challenged, we develop mitigation strategies to reduce our GHG emissions and make use of stranded gas. Our development teams are constantly exploring new ways to commercialize associated gas as well as new technologies such as combustors, incinerators, and value-add applications to reduce our vented and flared gas volumes and lower our emissions intensity.

## SETTING TARGETS

In 2020, we took an ambitious step forward in cementing our commitment to reduce greenhouse gases by setting intensity targets for carbon and methane emissions. Throughout the past year, our teams worked diligently to help us achieve these targets to enhance our environmental performance and while also mitigating our carbon compliance costs. Through these efforts, we had surpassed our goal by year-end 2020, reducing our total GHG intensity by approximately 39 percent. We also reduced our methane emissions by approximately 56 percent during the past year. Having achieved such notable progress in 2020, we are now in a position to significantly enhance our targets and strive to achieve a new benchmark in performance.



## Working Towards a Lower-carbon Future

Transitioning to a lower carbon future is critical to effectively reducing the impacts of climate change. This shift in energy supply and demand will have widespread implications for the world's current energy infrastructure, including the sourcing, transmission, and use of energy around the world. At Crescent Point, we believe that taking early action today will help build resilience and mitigate transition risk in the economy of tomorrow. As such, we are not only committing to reduce our emissions, but also examining the challenges and opportunities that lie ahead to position the company for success and ensure our long-term sustainability.

### RISKS

- Commodity price volatility
- Reserves and company valuations
- More stringent regulations
- Shifting consumer demand
- Public perception & social license

### OPPORTUNITIES

- Increasing demand for clean energy
- New revenue sources (CO<sub>2</sub>, H<sub>2</sub>)
- ESG-centric asset valuation
- Differentiation & preferred pricing
- Repurposing existing infrastructure

We believe that companies that can demonstrate a future-focused approach that considers these dynamics will be better positioned to manage risks and capitalize on opportunities. That is why we are taking action today to reduce our fossil fuel power consumption through self-generating solar power and through efficiency initiatives aimed at reducing our energy consumption. To date, we have completed two pilot solar power generation projects to determine their effectiveness, reliability, and suitability for our operations: one at an oil production facility (100kW) since sold, and one at our Carlyle, Saskatchewan office (90kW). Based on the success of these initial projects, we are pursuing the development of an additional 14 solar power installations with a total installed capacity of approximately 6.5 MW. The solar projects under development have been funded in part by Environment and Climate Change Canada under their Low Carbon Economy Challenge. **Looking ahead, we will continue to explore new technologies and innovations to further reduce our emissions and ensure the long-term sustainability of our business into the future.**

# WATER

Water is a key component of our operations throughout the development life cycle of our assets. We use water to drill and complete our wells and to enhance production through our waterflood programs. As such, we recognize the potential risk that water availability and scarcity may have on our operations. To mitigate this risk, we ensure proper oversight and accountability at the management and Board level to ensure we effectively manage water risk. As part of our risk management process, we take a prudent approach to the sourcing, transportation, use, recycling and disposal of the water we use to mitigate potential impacts and ensure our development activities uphold our commitment to being strong environmental stewards throughout our operations.



## Sourcing

Our teams consider the impacts our water sourcing may have on the surrounding environment and other water users. To avoid potential impacts, we strive to minimize our use of surface freshwater in areas of higher water scarcity and instead seek alternative water sources such as deep and/or saline aquifers or municipal grey water.



## Transport

We recognize that the transportation of water can impact local stakeholders and wildlife. We, therefore, strive to build supporting infrastructure such as water pipelines, holding ponds, and other assets to reduce our trucked water volumes. By doing so, not only do we limit our road use, we also reduce the emissions associated with trucking these water volumes.



## Use & Re-use

We use water to drill and complete our wells and also support production through waterflood. Through innovative hydraulic fracture optimization, we have successfully reduced the volume of water required to complete our wells in the Flat Lake area by more than 15 percent. We also utilize our produced formation water to support our waterflood initiatives through water recycling.



## Disposal

We strive to re-use as much water as possible in our operations to enhance efficiency and reduce our freshwater usage. Any volumes that cannot be recycled are safely disposed of using licensed disposal wells. In addition, a small portion of our overall water use is consumed in our well completion activities during hydraulic fracturing. In all instances, we endeavor to limit our water disposal volumes and make the most use of this valued resource.

Our asset teams have succeeded in reducing freshwater volumes used in our operations to mitigate the potential impacts to other water users and the natural environment. Through innovation in our well completion designs in our Flat Lake play, we reduced our freshwater requirements by 15 percent in 2020. Similarly, in both our Viewfield and Flat Lake plays, we have reduced our dependence on surface freshwater sources by partially replacing these sources with water from alternative, non-potable saline aquifers. Through these initiatives, we have not only lowered our freshwater usage, but we have also reduced our operating costs. By utilizing geothermally-heated water from these deep aquifers, we have reduced our heating costs because the water we source from the Mannville Aquifer flows to surface at roughly 60 degrees Celsius, thus eliminating the need to heat our well completion tanks in the winter months. Combined, through our success in reducing freshwater use and utilizing alternative sources we have diminished our surface water withdrawals and delivered greater sustainability to our field operations.

In areas of our operations where freshwater is being withdrawn for drilling and completions activities, Crescent Point adheres to provincial or state regulations and is in compliance with the terms of our water licenses. Our water licenses regulate how and when water may be extracted for use in our operations to protect the ecological value of the water source and to work in cooperation with other licensees, including municipalities, farmers and other water users. Referencing the World Resources Institute Aqueduct Water Risk Atlas, only six of the 271 gross wells we drilled in 2020 used freshwater during drilling activity in areas of high or extremely high baseline water stress. The majority of these wells were located in Turner Valley where we use surface water pulled from the Sheep River and Highwood River in our waterflood operations. Under the Carbon Disclosure Project (CDP) guidance on water use reporting, water that is used for waterflood purposes is considered to be discharged rather than consumed. Of our total freshwater withdrawals in 2020, 73 percent came from areas of high or extremely high baseline water stress, however, water consumption in these areas represented only two percent of our total freshwater consumed.

We are currently working to set ambitious water use targets and will release these targets as well as our water management plans later this year.

Going forward, we plan to continue to explore new opportunities to reduce our freshwater usage. For example, through our engagement with multi-stakeholder groups such as the Fox Creek Operators Group and the South Duvernay Producers Group we are in active discussions with industry peers to advance opportunities for water resource sharing to reduce freshwater usage, increase water recycling, and limit our impact on local ecosystems.

## LAND USE

Crescent Point is committed to reducing our environmental footprint and mitigating the potential impacts of our operations on local ecology. We take landscape factors into consideration from the earliest stages of our development planning and work to include protections for surrounding wildlife and native species in such planning. Our commitment to biodiversity is evident in our approach to resource development and is shared with our community investment partners such as the Calgary Zoo – which Crescent Point has supported for the last nine years. Through several of the zoo’s programs, including the Saskatchewan Species at Risk Program, the Grade Nine Biological Diversity Educational Series and most recently, the Devonian Wildlife Conservation Centre, we have committed \$550,000 in funds to foster conservation and biodiversity. We support these programs because they align with our mission to protect the land and wildlife in our operating areas and foster greater awareness of the value native landscapes provide to all species.

### **Our latest commitment to the Calgary Zoo supports:**

#### **Wildlife Conservation Centre**

\$100,000 investment to help construct a new breeding and research facility dedicated to the sustainability of burrowing owls

#### **Saskatchewan Species at Risk**

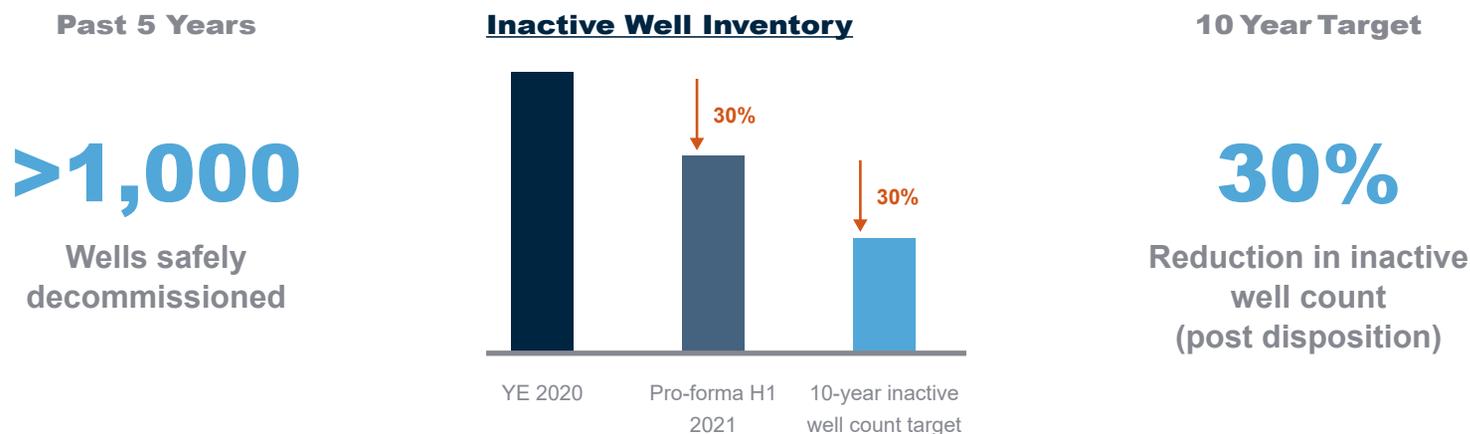
\$50,000 support our innovative research and reintroduction work



Crescent Point recognizes that development of our assets has the potential to impact the biodiversity in our operating areas. To enhance transparency, we have endeavored to report on the proportion of our total reserves considered to be in areas of protected conservation status, which includes both protected conservation areas and endangered species habitats. Aerially these lands are quite extensive, covering much of southeast Saskatchewan and North Dakota, representing approximately 83 percent of our total proved reserves or approximately 78 percent of our total probable reserves at December 31, 2020. Through our proactive and risk-based asset development life cycle we are committed to ensuring we mitigate our impact on these important ecosystems.

Through our proactive approach to asset retirement, we uphold our commitment to ensure working landscapes are returned to their pre-disturbance state. Once our assets have reached the end of their useful life, we develop detailed remediation and reclamation plans to safely retire our wells and facilities and ensure the continued protection of surrounding communities and wildlife. These closure plans are regularly updated and approved by senior management. Throughout our closure initiatives, we work closely with local stakeholders to better inform our planning and ensure our field activities mitigate potential impacts and disturbance to our stakeholders. We believe community involvement in our closure planning leads to more effective asset retirement operations and ultimately stronger relationships with our stakeholders.

In 2020, we safely retired approximately 300 wells (266 CPG licensed wells), continuing our active asset retirement obligation program and bringing our five-year total to over 1,000 abandonments.



In the first half of 2021, we reduced our corporate inactive well count by 30 percent through a disposition. Over the next 10 years, we expect to achieve a further reduction in our corporate inactive well count of 30 percent (post disposition). By taking care of our assets, from initial production to retirement, we ensure we develop our resources the right way.

## Asset Retirement in Action



The well is shut-in and surface infrastructure (pump jacks) removed



Production zones are isolated downhole using cement and bridge plugs



The well head is then exposed to two meters below surface



The well head can then be safely removed



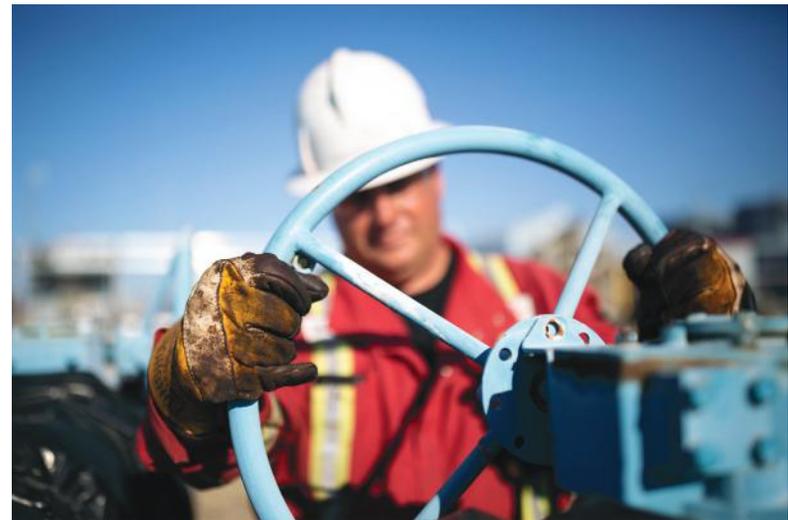
Then the well casing is capped and marked with identifying information



The landscape is then restored to its pre-disturbance state

## ASSET INTEGRITY

A key pillar we use to protect the air, land, and water we all value is our asset integrity program. We recognize that our responsibility to ensure the safe transportation of our products extends beyond our lease lines and we have taken proactive steps to mitigate the risk of spills while also ensuring we are prepared should an incident occur. Our work involves completing detailed analysis of all our valves, tanks, flow lines, pipelines, and facility infrastructure. We then use this analysis to develop risk indicators which guide our approach. By prioritizing our efforts based on risk, we can mitigate both the likelihood and magnitude of an incident. This approach also better positions us to react in real-time should an incident occur. Through our early investment in remote well monitoring, shut-off valve controls, and spill response equipment and technology we have gained valuable insight into how to improve our operations and have increased the ability of our field teams to assist in developing preventative measures to reduce asset integrity risk.



## EFFLUENT AND WASTE MANAGEMENT

At Crescent Point we take pride in our operational excellence and strive to protect our stakeholders and the environment from the risk of exposure or contamination. Our policies and practices safeguard these risks and speak to our commitment to manage and reduce possible contaminants, effluent, and waste. We employ detailed management protocols specific to the inherent risk that are tailored to our operating environments. These protocols ensure the health and well-being of our staff and stakeholders while also mitigating the potential risk to our surrounding environment.

In practice, our policies and procedures relate to three main risk areas, including:

### **Effluent and Fluids**

Our operations involve handling petroleum products such as oil, condensate, and natural gas as well as other fluids such as waste oils, solvents, cleaners, antifreeze, and wastewater.

#### **Waste Oil**

- Waste oil used for testing, lubricating, or as a working fluid is first filtered and reused in its original application or re-purposed as heating fuel for remote well site locations.
- Any waste oil that cannot be reused or re-purposed is safely disposed of using certified waste handling facilities.

#### **Solvents & Cleaners**

- To reduce our risk potential, we continue to expand our use of environmentally friendly solvents and cleaners in our field operations.
- Our shift away from the use of toxic and/or corrosive solvents and cleaners limits the potential exposure risk to our field staff and contractors and also reduces costs associated with waste disposal.
- Any solvents and cleaners that could possibly pose a risk to the environment are collected and sent to certified oil field waste handling disposal sites.

#### **Antifreeze**

- As part of our asset integrity initiatives, we employ antifreeze to maintain the functionality of our assets and equipment during the cold winter months.
- We routinely filter and reactivate our antifreeze using additives to ensure its integrity and maintain proper quality parameters.
- In the event that this fluid is no longer required, it is sent to oil field waste facilities for proper disposal.

## **Wastewater**

- Wastewater generated from cleaning our equipment is collected and disposed of at certified water disposal sites that specialize in wastewater handling and treatment.
- Produced water from our operations is similarly collected, reused for enhanced oil production through waterflood or disposed of in dedicated licensed disposal wells.
- Crescent Point does not have any tailings ponds.

## **Non-GHG and Toxic Emissions**

As a company, we are committed to reducing harmful air pollutants that could potentially impact our employees, contractors, stakeholders, and the environment. We have developed detailed codes of practice to manage the risk associated with non-GHG and toxic emissions to ensure we continue to prioritize safety throughout our operations.

### **Non-GHG Emissions**

- Our commitment to combating climate change includes action plans to reduce greenhouse gases and methane as well as non-greenhouse gas emissions such as oxides, sulfides, volatile organic compounds, and particulate matter.
- To reduce these emissions, we employ high efficiency combustion equipment to effectively incinerate potential contaminants and reduce the risk to surrounding stakeholders and the environment.
- We also use catalytic converters and mufflers in certain applications to further reduce emissions and noise associated with our field production equipment.

### **Toxic Emissions**

- Our safety management team works constantly to ensure safe operations by employing best practices in hazardous material handling, exposure control practices, as well as routine testing of field protocols.
- Tailored codes of practice related to toxic emissions such as hydrogen sulfide and benzene help us protect our stakeholders against any potential acute and chronic exposure to hazardous substances.

## **Solid Waste**

We actively reduce solid waste in our field operations by reducing our procurement needs, re-purposing used equipment and products, and by recycling end of life materials where possible. From our supply chain to our field operations, we are committed to limiting our solid waste generation to do more - with less.

### **Field Equipment**

- As we retire inactive sites, we relocate production equipment to our storage sites where it is then catalogued and inventoried in our equipment database.
- From there, equipment such as storage tanks, pressure vessels, separators, combustors, meters, and well head equipment can be re-purposed at different sites to avoid procuring new equipment.

### **Process Materials**

- Used oil filters that have reached the end of their useful life are first pressed to extract any remaining oil (which may be reused as mentioned above) and then recycled for its paper, plastic and metal components. Used water filters are similarly recycled.
- To reduce oil filter waste, we have begun trials on magnetic filtration for use in our screw compressors with great success. These filters do not just pull ferrous material out but rather anything ionically charged or covalently bonded with a ferrous material. The filters are reusable/cleanable with an environmentally friendly bio-wash and ultrasonic technology.
- This project has a one-year payout and significantly reduces the amount of waste in our operations.
- Once fully implemented, this innovation should help reduce the amount of oil filters we purchase and dispose of by approximately 2,000 oil filters per year.

### **Contaminated Soil**

- Any soil that may be contaminated by petroleum or other hazardous materials is safely collected and disposed of at certified oil field waste handling facilities for proper remediation.

## OPERATIONAL EXCELLENCE

Our Operational Technology (“OT”) platform has been integrated into the company’s field operations since 2018. By successfully implementing our OT platform, we have lowered our operating costs across our asset base while also delivering significant safety and environmental benefits to the company.

The ongoing roll out of our OT platform has positively changed the way the company works in the field by optimizing workflows and implementing on remote well monitoring and technology that enhances organizational efficiencies. We have realized efficiencies through the combined success of our OT Platform and other initiatives and estimate that we have removed removed approximately \$130 million, or 17 percent, of our total budgeted operating expenses over the past two years.

These significant cost savings are, however, only one side of the equation. As we mentioned before, ESG considerations are woven into every business decision we make and the transition to the OT platform has also provided many ESG benefits:

- Operators have been required to make fewer well visits, reducing kilometers driven and vehicle emissions by nearly 50 percent since 2018;
- Improved employee safety through less driving responsibilities;
- Enhanced risk mitigation by alerting field operators to preventable issues and improving monitoring and operating protocols for pipeline integrity instead of field staff being accountable for manually identifying issues upon general well inspections
- Operators are required to do less administrative work, freeing up time to focus on other productive projects and reducing third party contracting requirements; and
- Greater analytics and data capture provides better learnings for operations efficiency and well site safety.

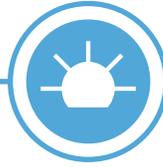
We maintain the ability to roll out our OT platform even further in future years. Assets in North Dakota and Alberta, including the recently acquired Kaybob Duvernay assets, will be integrated in to the OT platform in 2021.

## A Practical Explanation of How it Works



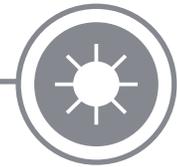
**5:00 AM**

Overnight issues that are identified by OT platform are assigned to operators



**7:00 AM**

Operator starts their shift, logs onto custom built mobile app and receives individualized daily work orders



**7:00 AM - 4:00 PM**

Mobile app logs and distributes health checks and maintenance work, field data, well servicing requirements and chemical volumes. Field operator performs required duties as outlined in individualized daily work orders and by filling out forms available via mobile app.

**Throughout the day:** Notifications and status reports prepared by operators sent to field operations teams in real-time.



# CYBER SECURITY

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We are increasingly reliant on IT infrastructure and digital technology to conduct our day-to-day operations for both field and office employees. We maintain an effective cyber security culture to manage our cyber risk exposure is integrated throughout the company through effective Board oversight and by conducting annual reviews. Our management team also participates in an Executive Awareness Program and we facilitate end user awareness for all employees through annual sign-off on the company's security policy coupled with providing ongoing training and ad-hoc phishing tests.

Our Information Services Infrastructure Team is responsible for the day-to-day operations of our IT infrastructure and resources. This includes constant 24x7 multi layered monitoring, data backup and recovery, and ensuring end to end visibility over all IT assets and the flow of company data. With a dedicated team of employees, a mature operational model, strong investigation/remediation processes, major incident response plan and tested Disaster Recovery Plan, we have implemented a strong overall approach to Cyber security. All these functions and processes are reviewed on a quarterly basis to reflect the evolving nature of the company's IT needs. The team also conducts annual security audits for both corporate and OT environments using External Pen Tests and internal vulnerability scans. We also engage our security partner, iON United, using the Centre for Internet Security 20 Critical Security Controls to provide external assurance over our information security standards.

While some information is collected and managed internally, we also utilize trusted third-party providers to help us process information or host various platforms. Third party providers of SaaS or Cloud based solutions are required to complete a detailed Security Onboarding questionnaire and provide proof of annual SSAE or SOC audit/certification. We uphold the same level of rigor to ensure the security of our data, whether managed and hosted internally or externally through these third parties.



# LOBBYING AND DISCLOSURE

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"Bringing Energy To Our World – The Right Way" means engaging with governments and regulatory bodies to foster effective public policy and find mutually beneficial solutions. Our advocacy and lobbying efforts are focused on outcome-based, progressive policy development that achieves objectives in the most efficient way possible. We routinely engage with decision makers and regulators to provide data, analysis, and feedback on proposed and existing legislation and regulations. We believe that active engagement and open dialogue leads to more effective public policy that is best suited to achieve desired outcomes. Our internal lobbying policy provides guidance to all employees regarding interactions with governments including lobbying registrations processes, reporting and roles and responsibilities. All employees review and sign off on the policy annually. We are fully compliant with all laws and regulations regarding lobbying and lobbying disclosure.

## **Advocacy Topics**

- Responsible resource development
- Climate policy
- Fiscal policy (including taxation, tenure, and royalties)
- Industry competitiveness
- Technology and innovation
- Market access
- Liability management
- Species at risk
- Pipeline regulations

## **Industry Associations**

Crescent Point also participates in a number of associations, including some that may advocate on behalf of the industry. As a company, we support pragmatic and progressive policies that are outcomes-based and risk-focused. In situations where our corporate beliefs may differ from those of the association, we register our difference in opinion and recuse ourselves from any situation where we may have a conflict in opinion, approach, or belief.

We are currently a member of the following industry associations:

- Canadian Association of Petroleum Producers (CAPP)
- The Saskatchewan Chamber of Commerce
- The Calgary Chamber of Commerce
- North Dakota Petroleum Council (NDPC)
- Western Energy Alliance
- Colorado Oil and Gas Association (COGA)

## **Commitment to Transparency**

In the spirit of transparency, we are committed to disclose any lobbying expenditures and corporate memberships of associations of which we pay more than \$10,000 in dues that may lobby on our behalf or on behalf of the industry. Similarly, we are committed to disclosing all political donations in excess of \$10,000 (of which there were none in 2020). All lobbying expenditures and political donations are approved by senior management.

We are required to publicly disclose, on an annual basis, specific payments made to all governments in Canada and abroad as imposed by the Extractive Sector Transparency Measures Act (ESTMA). ESTMA delivers on Canada's international commitments to contribute to global efforts to increase transparency and deter corruption in the extractive sector. ESTMA reports can be found on our website.

# DATA TABLE

## RESTATEMENTS OF DATA

Based on the guidance of the GHG Protocol, we have removed divested sites and included acquired sites from all energy and emissions data back to our baseline year of 2017. Historical data presented in the data table below are restated when a 10 percent change in 2017 baseline data is met to capture significant acquisition and disposition activity. Due to a lack of equivalent guidance for water, reclamation or spills, we've continued to apply the GHG protocol recommendations in the recalculation of those metrics (whenever possible) for the sake of comparison.

	Units	2017	2018	2019	2020
<b>Economic</b>					
Value generated (revenues) <sup>1</sup>	Millions (\$)	3,404.3	3,653.1	3,403.3	1,950.8
Value distributed to:					
Operating costs <sup>2</sup>	Millions (\$)	1,044.8	1,191.8	1,001.9	711.7
Employee wages and benefits <sup>3</sup>	Millions (\$)	182.3	211.2	159.4	135.6
Providers of capital <sup>4</sup>	Millions (\$)	360.0	382.9	168.8	104.0
Governments <sup>5</sup>	Millions (\$)	282.7	321.4	267.1	132.3
Community investment	Millions (\$)	3.4	3.1	2.7	2.2
Value retained <sup>6</sup>	Millions (\$)	1,531.1	1,542.7	1,803.4	865.0
<b>Environment</b>					
Activity Metrics					
Oil production	bbls/d	139,996	140,298	126,219	95,859
NGL production	bbls/d	18,250	19,805	20,746	14,542
Gas production	mcf/d	106,599	108,376	91,592	67,447
Total production	boe/d	176,013	178,166	162,230	121,642
Number of offshore sites	Count	0	0	0	0
Number of terrestrial sites <sup>7</sup>	Count	19,981	19,416	17,165	13,195
Energy <sup>8</sup>					
Total fuel consumption from non-renewable sources	GJ	3,592,820	3,747,260	3,924,327	3,205,364

	Units	2017	2018	2019	2020
Electricity consumption	MWh	1,156,742	1,336,295	1,227,798	1,113,532
Total energy consumption	GJ	7,757,091	8,557,922	8,344,400	7,214,079
Energy intensity	GJ/mboe	151	160	161	161
Total energy production from renewable sources	kWh	NPT	NPT	NPT	116,156
<b>GHG Emissions<sup>9</sup></b>					
Direct (scope 1) <sup>10,11</sup>	Tonnes CO <sub>2</sub> e	2,107,442.4	1,894,791.4	1,784,044.0	1,126,052.5
% methane	%	73	67	63	60
% covered under emissions-limiting regulations <sup>12</sup>	%	5.5	6.1	87.0	89.2
Indirect emissions (scope 2) <sup>13</sup>	Tonnes CO <sub>2</sub> e	939,260.0	991,881.0	876,940.4	787,190.0
Emissions intensity (scope 1) <sup>14,15</sup>	Tonnes CO <sub>2</sub> e/boe	0.041	0.036	0.034	0.025
Emissions intensity (scope 1 and 2) <sup>16</sup>	Tonnes CO <sub>2</sub> e/boe	0.059	0.054	0.051	0.043
<b>Scope 1 emissions by source:</b>					
Flared hydrocarbons	Tonnes CO <sub>2</sub> e	412,678	436,803	453,454	298,212
Other combustion <sup>17</sup>	Tonnes CO <sub>2</sub> e	226,991	229,039	247,926	181,635
Other vented emissions	Tonnes CO <sub>2</sub> e	1,273,415	1,044,068	909,262	506,553
Fugitive emissions	Tonnes CO <sub>2</sub> e	194,359	184,881	173,402	139,652
<b>Other emissions<sup>18</sup></b>					
Nitrogen oxide (NO <sub>x</sub> )	Tonnes	1,180	1,388	1,341	902
Sulfur oxides (SO <sub>x</sub> )	Tonnes	922	302	373	494
VOCs	Tonnes	22,659	18,885	16,427	9,957
Particulate matter	Tonnes	375	225	258	195
<b>Water</b>					
Fresh water withdrawal <sup>19</sup>	m <sup>3</sup>	1,348,748	1,923,793	1,295,944	570,335
Total fresh water consumed <sup>20</sup>	m <sup>3</sup>	761,558	1,392,146	752,516	159,905

	<b>Units</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>
Fresh water intensity	Bbl H <sub>2</sub> O/boe	0.1321	0.1861	0.1377	<b>0.0806</b>
% of total freshwater withdrawn in regions with High or Extremely High Baseline Water Stress	%	NPT	NPT	NPT	<b>73</b>
% of total freshwater consumed in regions with High or Extremely High Baseline Water Stress	%	NPT	NPT	NPT	<b>2</b>
<b>Total water withdrawn by source</b>					
Surface water	m <sup>3</sup>	647,390	965,141	1,179,624	<b>787,218</b>
Ground water <sup>21</sup>	m <sup>3</sup>	4,344,798	5,464,168	5,116,501	<b>6,637,891</b>
Wastewater from another organization	m <sup>3</sup>	6,049	122,098	0	<b>0</b>
Municipal water supplies or public/private water utilities	m <sup>3</sup>	48,785	15,701	15,195	<b>12,324</b>
Produced water	m <sup>3</sup>	85,465,927	84,211,163	81,163,520	<b>66,877,770</b>
<b>Reclamation <sup>22</sup></b>					
Number of producing wells	Count	9,379	9,717	10,088	<b>9,121</b>
Number of non-producing wells	Count	6,745	5,354	5,383	<b>5,637</b>
Active assessment/reclamation ongoing	Count	730	817	1,152	<b>1,391</b>
Certificates received (land reclaimed) <sup>23</sup>	Count	76	58	51	<b>127</b>
Abandonments <sup>24</sup>	Count	151	148	353	<b>266</b>
Acreage reclaimed	Acres	306	283	221	<b>546</b>
<b>Land</b>					
% of proved reserves in or near indigenous land	%	NPT	NPT	NPT	<b>11.6</b>
% of probable reserves in or near indigenous land	%	NPT	NPT	NPT	<b>8.6</b>

	Units	2017	2018	2019	2020
% of proved reserves in or near sites with protected conservation status or endangered species habitat	%	NPT	NPT	NPT	82.9
% of probable reserves in or near sites with protected conservation status or endangered species habitat	%	NPT	NPT	NPT	77.8
<b>Spills <sup>25</sup></b>					
Number of reportable spills	Count	128	111	81	87
Volume of reportable spills	Volume (m <sup>3</sup> )	1,967	6,115	1,469	905
Hydrocarbon	Count	88	80	59	63
	Volume (m <sup>3</sup> )	802	526	963	300
Freshwater	Count	10	8	4	3
	Volume (m <sup>3</sup> )	224	5,358	140	206
Other <sup>26</sup>	Count	30	23	18	21
	Volume (m <sup>3</sup> )	941	231	366	399
Pipeline incident rate	Incidents per 1,000 km	2.8	2.6	1.7	2.2
<b>Health and Safety <sup>27</sup></b>					
Total recordable injury frequency (TRIF)					
<b>Total</b>	<b>Number</b>	<b>52</b>	<b>49</b>	<b>41</b>	<b>24</b>
Contractor	Number	42	41	38	22
Employee	Number	10	8	3	2
<b>Total recordable injury rate</b>	<b>Cases per 200,000 work hours</b>	<b>0.63</b>	<b>0.55</b>	<b>0.58</b>	<b>0.44</b>
Contractor recordable injury rate	Cases per 200,000 work hours	0.59	0.53	0.63	0.48
Employee recordable injury rate	Cases per 200,000 work hours	0.86	0.68	0.29	0.25

	Units	2017	2018	2019	2020
<b>Total recordable injury rate</b>	<b>Cases per 1,000,000 work hours</b>	3.14	2.75	2.88	<b>2.21</b>
Contractor recordable injury rate	Cases per 1,000,000 work hours	2.95	2.65	3.13	<b>2.38</b>
Employee recordable injury rate	Cases per 1,000,000 work hours	4.29	3.41	1.44	<b>1.23</b>
<b>Lost-time injury frequency (LTIF)</b>					
<b>Total</b>	<b>Number</b>	11	12	6	<b>3</b>
Contractor	Number	9	9	5	<b>3</b>
Employee	Number	2	3	1	<b>0</b>
<b>Lost-time injury rate</b>	<b>Cases per 200,000 work hours</b>	0.13	0.13	0.08	<b>0.06</b>
Contractor lost-time injury rate	Cases per 200,000 work hours	0.13	0.12	0.08	<b>0.06</b>
Employee lost-time injury rate	Cases per 200,000 work hours	0.17	0.26	0.10	<b>0.00</b>
<b>Lost-time injury rate</b>	<b>Cases per 1,000,000 work hours</b>	0.66	0.67	0.42	<b>0.28</b>
Contractor lost-time injury rate	Cases per 1,000,000 work hours	0.63	0.58	0.41	<b>0.32</b>
Employee lost-time injury rate	Cases per 1,000,000 work hours	0.86	1.28	0.48	<b>0.00</b>
<b>High-consequence work-related injuries (severe injury frequency)</b>					
Actual	Number	19	4	3	<b>1</b>
Potential	Number	6	13	9	<b>7</b>
Rate (actual and potential)	Cases per 200,000 work hours	0.30	0.19	0.17	<b>0.15</b>
<b>Other health and safety metrics</b>					
Fatalities	Number	0	0	1	<b>0</b>
Near miss	Number	147	95	130	<b>126</b>

	Units	2017	2018	2019	2020
Near miss frequency rate (NMFR)	Cases per 200,000 work hours	1.73	1.09	1.82	2.32
Hazard identification	Number	NPT	223	1,326	1,959
Stop and Think observations	Number	NPT	167	327	252
Numbers of hours worked (contractor and employee)	Hours	16,581,508	17,836,837	14,240,701	10,883,916
<b>Social</b>					
<b>Workforce Profile</b>					
Full time, permanent employees	Count	1,085	1,002	862	731
Part time employees	Count	NPT	2	2	4
Contract and temporary employees	Count	70	65	52	17
Employees covered by collective bargaining agreements	Count	0	0	0	0
<b>Employees by location</b>					
<b>Office</b>					
Canada	Count	462	415	393	339
USA	Count	84	90	50	43
<b>Field</b>					
Canada	Count	472	422	407	339
USA	Count	67	77	14	14
<b>Employee Turnover</b>					
Voluntary turnover <sup>28</sup>	%	4.7	5.2	8.4	4.6
Involuntary turnover <sup>29</sup>	%	2.3	12.9	16.8	16.5
Total turnover <sup>29</sup>	%	7.0	18.1	25.2	21.1
<b>Gender Diversity (FTE Permanent)</b>					
Male	%	65.3	66.5	66.4	66.2
Female	%	34.7	33.5	33.6	33.8

	<b>Units</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>
Women in head office (Calgary and Denver)	%	57.5	56.3	55.6	<b>53.0</b>
Women in supervisory/team lead positions (Calgary and Denver only)	%	55.4	57.4	58.3	<b>49.1</b>
Women in management/executive positions (Calgary and Denver)	%	27.5	25.0	27.9	<b>31.6</b>
Women in technical positions (engineering, geology, and geosciences in Calgary and Denver)	%	32.7	31.9	33.3	<b>30.0</b>
<b>Employment Rate by Age</b>					
Under 30	%	18.5	17.9	15.3	<b>11.2</b>
30-50	%	64.1	66.9	67.4	<b>70.7</b>
Over 50	%	17.3	15.3	17.3	<b>18.1</b>
<b>Board Diversity</b>					
Women on the Board <sup>30</sup>	%	22.0	22.0	37.5	<b>33.3</b>
<b>Training</b>					
Spending on training <sup>31</sup>	\$	918,263	933,445	1,198,901	<b>655,703</b>
<b>Performance and Career Development</b>					
Employees with annual performance/ career reviews	%	NPT	NPT	97.0	<b>96.4</b>

NPT: Not previously tracked

## FOOTNOTES:

### Economic

<sup>1</sup> Economic value generated includes revenues from oil and gas sales, purchased product sales and realized derivative gains and losses.

<sup>2</sup> Economic value distributed to operating costs includes royalties, operating expenses, purchased product, transportation expenses, G&A expenses and realized foreign exchange gains and losses, less costs paid to employees and governments, and costs for the purposes of community investment.

<sup>3</sup> Economic value distributed to employee wages and benefits, net of amounts capitalized, includes salaries, bonuses, benefits and cash share-based compensation paid to both field and office employees.

<sup>4</sup> Economic value distributed to providers of capital includes interest expense and dividends paid.

<sup>5</sup> Economic value distributed to governments includes crown royalties, resource surcharges, production taxes, property taxes, business taxes and licenses, income taxes, interest and penalties and provincial and other sales taxes on operating costs. Amounts are not comparable to those presented in the company's ESTMA report due to the use of different reporting frameworks.

<sup>6</sup> Value retained represents value generated minus value distributed. Value retained does not have any standardized meaning prescribed by IFRS and, therefore, may not be comparable with the calculation of similar measures presented by other entities. Value retained should also not be confused with retained earnings, net income or any other measure prescribed by IFRS.

### Environment

<sup>7</sup> Number of terrestrial sites reflect CPG gross operated wells including producing, non-producing and downhole abandoned sites. The underlying source data for 2017 to 2019 is different from the source used to obtain 2020 data. 2020 source data contains enhanced details for reporting purposes.

### Energy

<sup>8</sup> Methodology used to collect activity data and calculate energy consumption includes: IPIECA Petroleum industry guidelines for reporting greenhouse gas emissions, 2nd edition; CDP Technical Notes – Conversion of fuel data to MWh; and respective provincial and state regulator oil and gas measurement and reporting requirements.

## Emissions

<sup>9</sup> Methodology used to collect activity data and calculate scope 1 and 2 emissions includes: IPIECA *Petroleum industry guidelines for reporting greenhouse gas emissions, 2nd edition*; Canadian Association of Petroleum Producers (CAPP) *Calculating Greenhouse Gas Emissions, 2003*; American Petroleum Institute (API) *Compendium of Greenhouse Gas Emissions Methodologies for the Oil and Natural Gas Industry, 2009*; and respective provincial and state regulator oil and gas measurement and reporting requirements.

<sup>10</sup> Direct emissions from our US assets are currently calculated based on ownership as of December 31st of the reporting year in alignment with US regulatory reporting frameworks. Thus, emissions associated with any facility we acquired mid-year would include emissions generated under the previous owner. Likewise, emissions associated with any facility sold mid-year would not be included in the inventory.

<sup>11</sup> Both our Canadian and US operations have been included in the scope of 2020 assurance. Scope 1 emissions for 2020 were 1,126,052.5 tCO<sub>2</sub>e.

<sup>12</sup> Percentage covered under emissions-limiting regulations includes both British Columbia and Alberta for 2017 and 2018. 2019 and 2020 includes British Columbia, Alberta and Saskatchewan.

<sup>13</sup> Both our Canadian and US operations have been included in the scope of 2020 assurance. Scope 2 emissions for 2020 equaled 787,190.0 tCO<sub>2</sub>e.

<sup>14</sup> Both our Canadian and US operations have been included in the scope of 2020 assurance. Scope 1 intensity equaled 0.025.

<sup>15</sup> Production calculated as gross product dispositions to non-operated entities.

<sup>16</sup> Both our Canadian and US operations have been included in the scope of 2020 assurance. Scope 1 and 2 intensity equaled 0.043.

<sup>17</sup> Other combustion includes fuel and truck fleet.

<sup>18</sup> Other emissions only includes data for our Canadian operations (~89 percent of operations). We do not track US pollutants at this time.

## **Water**

<sup>19</sup> Sum of all water drawn from surface water, groundwater, or a third party that is below 1000 parts per million Total Dissolved Solids for any use over the course of the reporting period.

<sup>20</sup> Sum of all fresh water drawn into the boundaries of Crescent Point and not discharged back to the water environment or a third party over the course of the reporting period.

<sup>21</sup> Groundwater includes both fresh and non-fresh water. The term fresh water does not equate to potable water in all instances.

## **Reclamation**

<sup>22</sup> Reclamation and abandonments include data for corporate operations where Crescent Point is the licensee.

<sup>23</sup> Due to regulatory requirements in Alberta, sites sold in Alberta have not been removed from certificates received or acreage reclaimed.

<sup>24</sup> Due to a change in our tracking processes, we are unable to remove divested sites from 2017 data. It has been removed from 2018, 2019 and 2020.

## **Spills**

<sup>25</sup> Reportable spills are defined by the applicable regulatory body for the jurisdiction in which the release occurs.

<sup>26</sup> Other includes non-hydrocarbons liquids, excluding freshwater.

## **Health and Safety**

<sup>27</sup> Certain prior year data reinstated to reflect consistent classification and calculation methodology.

## **Social**

<sup>28</sup> Reinstated values for 2017 to 2019 voluntary turnover due to change in calculation methodology.

<sup>29</sup> From 2018 to 2020 we have conducted restructuring events in line with our corporate strategy and to build efficiencies that resulted in workforce reductions.

<sup>30</sup> Includes all independent Board members.

<sup>31</sup> Reinstated values for 2018 and 2019 to include field training and conventions & seminars.

# GRI DISCLOSURE

GRI 102 General Disclosures		Page
<b>Organizational profile</b>		
102-1 Name of the organization		5
102-2 Activities, brands, products and services		5
102-3 Location of headquarters		5
102-4 Location of operations		5
102-5 Ownership and legal form		5
102-6 Markets served		5
102-7 Scale of the organization		5
102-8 Information on employees and other workers		5, 65, 66
102-9 Supply Chain		10, 21
102-10 Significant changes to the organization and its supply chain		5
102-11 Precautionary Principal or approach		13, 41, 43, 45, 46, 47, 49, 51, 52, 53, 54
102-12 External initiatives		15, 32
102-13 Membership of associations		59
<b>Strategy</b>		
102-14 Statement from senior decision-maker		2, 3
102-15 Key impacts, risks and opportunities		8, 10, 13, 32, 44, 49
<b>Ethics and Integrity</b>		
102-16 Values, principles, standards and norms of behavior		6, 12, 17, 18, 19, 20, 26, 27
102-17 Mechanisms for advice and concerns about ethics		14, 20, 36
<b>Governance</b>		
102-18 Governance structure		12, 14
102-19 Delegating authority		12, 14
102-20 Executive-level responsibility for economic, environmental, and social topics		14
102-21 Consulting stakeholders on economic, environmental and social topics		10
102-22 Composition of the highest governance body and its committees		2021 Information Circular
102-23 Chair of the highest governance body		2021 Information Circular
102-24 Nominating and selecting the highest governance body		2021 Information Circular

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102-25 Conflicts of interest	2021 Information Circular
102-26 Role of highest governance body in setting purpose, values, and strategy	14
102-27 Collective knowledge of highest governance body	2021 Information Circular
102-28 Evaluating the highest governance body's performance	2021 Information Circular
102-29 Identifying and managing economic, environmental and social topics	10, 12, 13, 14
102-30 Effectiveness of risk-management processes	Task Force on Climate-Related Financial Disclosure report
102-31 Review of economic, environmental and social topics	14
102-32 Highest governance body's role in sustainability reporting	14
102-33 Communicating critical concerns	14
102-34 Nature and number of critical concerns	We received two submissions to our whistleblower line throughout the 2020 calendar year, all of which were investigated and addressed appropriately.
102-35 Remuneration policies	2021 Information Circular
102-36 Process for determining remuneration	2021 Information Circular
102-37 Stakeholders' involvement in remuneration	2021 Information Circular
102-38 Annual total compensation ratio	2021 Information Circular
102-39 Percentage increase in annual total compensation ratio	2021 Information Circular
<b>Stakeholder Engagement</b>	
102-40 List of stakeholder groups	10
102-41 Collective bargaining agreements	Crescent Point does not have any collective bargaining agreements.
102-43 Approach to stakeholder engagement	10, 35, 36
102-44 Key topics and concerns raised	10
<b>Reporting Practice</b>	
102-45 Entities included in consolidated financial statements	1
102-46 Defining report content and topic boundaries	8

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102-47 List of material topics	8
102-48 Restatements of information	60
102-49 Changes in reporting	8
102-50 Reporting period	1
102-52 Reporting cycle	1
102-53 Contact point for questions regarding the report	1
102-54 Claims of reporting in accordance with GRI Standards	This report references the GRI Standard 2020 but has not met all the criteria to be in accordance.
102-56 External assurance	78, 79
<b>GRI 200 Economic Topics</b>	
201-1 Direct economic value generated and distributed	60
201-2 Financial implications and other risks and opportunities due to climate change	Task Force on Climate-Related Financial Disclosure report
<b>GRI 205 Anti-corruption</b>	
205-2 Communication and training about anti-corruption policies and procedures	12, 17, 18
<b>GRI 206 Anti-competitive behavior</b>	
206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	In the calendar year 2020, we were not involved in any legal actions related to anti-competitive practices.
<b>GRI 300 Environmental Topics</b>	
<b>GRI 302 Energy</b>	
302-1 Energy consumption within the organization	60, 61
302-3 Energy intensity	61
<b>GRI 303 Water</b>	
303-1 Interactions with water as a shared resource	46, 47, 61, 62
303-2 Management of water discharge-related impacts	52, 53
303-3 Water withdrawal	61, 62
303-5 Water consumption	61
OG5 Volume and disposal of formation or produced water	Partial, 53, 62

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<b>GRI 305 Emissions</b>	
305-1 Direct (Scope 1) GHG emissions	44, 61
305-2 Energy indirect (Scope 2) GHG emissions	44, 61
305-4 GHG emissions intensity	44, 61
305-5 Reduction of GHG emissions	2, 44
305-7 Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	61
OG6 Volume of flared and vented hydrocarbon	43, 61
<b>GRI 306 Waste</b>	
306-2 Management of significant waste-related impacts	52, 53, 54
<b>GRI 307 Environmental compliance</b>	
307-1 Non-compliance with environmental laws and regulations	Crescent Point received no significant fines or non-monetary sanctions for non-compliance in 2020.
<b>GRI 308 Supplier Environmental Assessment</b>	
308-1 New suppliers that were screened using environmental criteria	Partial, 10, 21
<b>GRI 400 Social Topics</b>	
<b>GRI 401 Employment</b>	
401-1 New employee hires and employee turnover	Partial, 65
<b>403 Occupational Health and Safety</b>	
403-2 Hazard identification, risk assessment, and incident investigation	22, 23, 24
403-5 Worker training on occupational health and safety	23
403-6 Promotion of worker health	2, 9, 26
403-9 Work related injuries	22, 63, 64, 65
<b>GRI 404 Training and Education</b>	
404-2 Programs for upgrading employee skills and transition assistance programs	30
404-3 Percentage of employees receiving regular performance and career development reviews	29, 66

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<b>GRI 405 Diversity and equal opportunity</b>	
405-1 Diversity of governance bodies and employees	32, 65, 66
<b>GRI 411 Rights of Indigenous peoples</b>	
411-1 Incidents of violations involving rights of indigenous peoples	Crescent Point had no incidents of violations involving the rights of Indigenous peoples in 2020.
OG9 Operations where Indigenous communities are present or affected by the activities and where specific engagement strategies are in place	19, 20, 35, 36
<b>GRI 412 Human Rights Assessment</b>	
412-2 Employee training on human rights policies or procedures	Partial, 10, 18, 19
<b>GRI 413 Local communities</b>	
413-1 Operations with local community engagement, impact assessments and development programs	Partial, 35, 36, 37, 48
OG11 Number of sites that have been decommissioned and sites that are in the process of being decommissioned	49, 62

# SASB PERFORMANCE TABLE

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<b>GHG Emissions</b>	
EM-EP-110a.1: Gross global Scope 1 emissions	61
% methane	61
% covered under emissions-limiting regulations	61
EM-EP-110a.2: Amount of gross global Scope 1 emissions from:	
1. Flared hydrocarbons	
2. Other combustion	
3. Process emissions	61
4. Other vented emissions	
5. Fugitive emissions	
EM-EP-110a.3: Discussion of long-term and short-term strategy or plan to manage Scope 1 emissions, emissions reduction targets and an analysis of performance against those targets	43, 44
<b>Air Quality</b>	
EM-EP-120a.1: Air emissions of the following pollutants:	
1. NOx	
2. SOx	61
3. VOCs	
4. PM10	
<b>Water Management</b>	
EM-EP 140a.1:	
1. Total freshwater withdrawn	61
2. Total freshwater consumed	
3. Percentage of each in regions with High or Extremely High Baseline Water Stress	62
EM-EP 140a.2: Volume of produced water	62

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<b>Biodiversity Impacts</b>	
EM-EP-160a.1: Description of environmental management policies and practices for active sites	41, 43, 46, 47, 52, 53, 54
EM-EP-160a.2: Number and aggregate volume of hydrocarbon spills	63
EM-EP-160a.3: Percentage of proved and probable reserves in or near sites with protected conservation status or endangered species habitat	63
<b>Human Rights and Rights of Indigenous Peoples</b>	
EM-EP-210a.1 Percentage of proved and probable reserves in or near areas of conflict	Crescent Point has no reserves in or near areas of conflict.
EM-EP-210a.2: Percentage of proved and probable reserves in or near indigenous land	62
EM-EP-210. 3: Discussion of engagement processes and due diligence practices with respect to human rights, indigenous rights and operation in areas of conflict	18, 19, 20, 35, 36
<b>Community Relations</b>	
EM-EP-210b.1: Discussion of process to manage risks and opportunities associated with community rights and interests	12, 35, 36, 41
<b>Occupational Health and Safety</b>	
EM-EP-320a.1: (1) Total recordable incident rate (TRIR), (2) Fatality Rate, and (3) Near Miss Frequency Rate for (1) full-time employees, (b) contract employees, and (c) short-service employees	22, 23, 63, 64, 65
EM-EP-320a.2: Discussion of management systems used to integrate a culture of safety throughout the exploration and production lifecycle	9, 22, 23, 24, 36
<b>Reserves Evaluation &amp; Capital Expenditures</b>	
EM-EP-420a.4: Discussion of how price and demand for hydrocarbons and or climate regulation influence the capital expenditure strategy for exploration, acquisition and development of assets	Task Force on Climate-related Disclosure Report
<b>Business Ethics &amp; Transparency</b>	
EM-EP-510a.1 Percentage of proved and probably reserves in countries that have the 20 lowest rankings in Transparency International's Corruption Perception Index	Crescent Point has no reserves in countries with the 20 lowest rankings in Transparency International's Corruption Perception Index.
EM-EP-510a.2: Description of the management system for prevention of corruption and bribery throughout the value chain	12, 17, 18, 20

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<b>Management of the Legal and Regulatory Environment</b>	
EM-EP-530a.1: Discussion of corporate positions related to government regulations and/or policy proposals that address environmental and social factors affecting the industry	Task Force on Climate-related Disclosure Report
<b>Critical Incident Risk Management</b>	
EM-EP-540a.2: Description of management systems used to identify and mitigate catastrophic and tail-end risks	51, 55
<b>Activity Metrics</b>	
Production of: oil, natural gas, and natural gas liquids	60
Number of offshore sites	60
Number of terrestrial sites	60



16 June 2021

Crescent Point Energy  
Suite 2000  
585 – 8th Ave SW  
Calgary, AB T2P 1G1

**RE: Crescent Point Energy – Independent Assurance Statement (Reporting Year 2020)**

**INTRODUCTION**

Aster Global Environmental Solutions, Inc. (Aster Global) was commissioned by the management of Crescent Point Energy (Crescent Point) to complete an independent verification of its 2020 data and assertions relevant to the Crescent Point sustainability report.

Crescent Point has sole responsibility for preparation of the data and external report. Aster Global in performing our assurance work, is responsible to the management of Crescent Point. Our assurance statement, however, represents our independent opinion and is intended to inform all stakeholders including Crescent Point.

**SCOPE OF ASSURANCE**

The scope of work agreed upon with Crescent Point includes the following:

- Organizational boundaries for the assurance are all North American sites functioning under Crescent Point’s operational control.
- All data was verified for the period between 01 January to 31 December 2020.
- The assurance was carried out between May 2021 and June 2021.
- The verification was conducted to a limited level of assurance.
- The scope of assurance includes:
  - Total Scope 1 GHG emissions
  - Total Scope 1 GHG emissions intensity
  - Total Scope 1 and 2 GHG emissions intensity
  - Total Scope 2 GHG emissions
  - End-of-life certificate – count
  - Land Reclaimed – acreage
  - Abandonments – count
  - Reportable spills – count
  - Reportable spills – volume
  - Total recordable injury frequency (TRIF)
  - Loss time injury frequency (LTIF)
  - Severe Injury or Fatality Rate (SIF)
  - Freshwater Withdrawal
  - Freshwater Consumed
  - Produced Water
  - Total Water Injected

**VERIFICATION METHODOLOGY**

Aster Global is accredited by the ANSI National Accreditation Board (ANAB) under ISO 14065:2013 and ISO 14064-3:2006 for verification of assertions at the organizational level, and validation/verification of assertions at the project level.

The inventory was verified in accordance with the relevant ISO standards, and the International Standard on Assurance Engagements (ISAE 3000). The GHG inventory was verified using the WRI/WBCSD Greenhouse Gas (GHG) Protocol, WRI/WBCSD Scope 2 Guidance: A Corporate Accounting and Reporting Standard, the GHG Protocol for Project Accounting. The water inventory was verified using the GRI Standard 303 Water and Effluents (2018).

The following methods were applied during the verification of Crescent Point's Inventory including:

- Review of documentation, data records and sources relating to the corporate data, GHG emissions,
- water related assertions, end-of-life certificate, land reclaimed, abandonments, reportable spills, total recordable injury frequency, loss time injury frequency, and severe injury or fatality rate.
- Review of the processes and tools used to collect, aggregate and report the data.
- Interviews with managers representing relevant functions for supporting the management processes
- for emissions, health and safety at the corporate.
- Assessment of information systems and controls, including:
  - Selection and management of all relevant data and information.
  - Processes for collecting, processing, consolidating, and reporting data and information.
  - Systems and processes that ensure the accuracy of the data and information.
  - Systems and processes that support the information system.
- Performed sample-based audits of the processes for generating, gathering and managing the quantitative and qualitative data included in the Report.
- Examination of the data and information to develop evidence for the assessment of the assertions.
- Confirmation of whether or not the organization conforms to verification criteria.
- Evaluation of whether the evidence and data are sufficient and support Crescent Point's assertion.

## CONCLUSIONS

Based on the processes and procedures conducted for limited assurance, there is no evidence that the data for the indicators listed above are not materially correct and are not a fair representation of data and information and have not been prepared in accordance with the calculation method referenced.

## INDEPENDENCE

As an ISO accredited independent third-part verifier, Aster Global was not involved in the preparation of any part of Crescent Point's data or report. We follow the ISO requirements and processes for verifications and audits and adopt a balanced approach towards all stakeholders when performing our evaluation.

Sincerely yours,

ASTER GLOBAL ENVIRONMENTAL SOLUTIONS



Janice McMahon  
President



Barbara Toole O'Neil, QEP  
Lead Verifier

**3800 Clermont Street NW | North Lawrence, Ohio 44666**  
**Phone 330-294-1242 | [www.AsterGlobalGlobal.com](http://www.AsterGlobalGlobal.com)**

# FORWARD-LOOKING STATEMENTS

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Any "financial outlook" or "future oriented financial information" in this report, as defined by applicable securities legislation has been approved by management of Crescent Point. Such financial outlook or future oriented financial information is provided for the purpose of providing information about management's current expectations and plans relating to the future. Readers are cautioned that reliance on such information may not be appropriate for other purposes.

Certain statements contained in this presentation constitute "forward-looking statements" within the meaning of section 27A of the Securities Act of 1933 and section 21E of the Securities Exchange Act of 1934 and "forward-looking information" for the purposes of Canadian securities regulation (collectively, "forward-looking statements"). The Company has tried to identify such forward-looking statements by use of such words as "could", "should", "can", "anticipate", "expect", "believe", "will", "may", "intend", "projected", "sustain", "continues", "strategy", "potential", "projects", "grow", "take advantage", "estimate", "well-positioned", "target" and other similar expressions, but these words are not the exclusive means of identifying such statements.

In particular, this report contains forward-looking statements pertaining, among other things, to the following: the Company in a position of strength with new opportunities on the horizon and continuing to build upon a strong governance foundation to further bolster sustainability in the years to come; reducing GHG emissions intensity by 50 percent by 2025, from 2017 levels, including a 70 percent reduction in absolute methane emissions by 2025; target of safely retiring approximately 400 wells; opportunities to position the Company for further success; exciting opportunities ahead; reporting on progress in achieving ambitious ESG goals in the years to come; continued environmental improvement; strategy and purpose; 2021 materiality assessment; ESG priorities; risk management program; expanding Indigenous engagement in connection with the recent acquisition of Duvernay assets and across all operation areas; ways in which the commitment to Indigenous peoples will be satisfied; employee engaging checks, pulse surveys and nature thereof; flexible work pilot program; people strategy; targets for water use; dedicated funding of 3-5% of annual maintenance capital to support environmental stewardship initiatives; 2025 emissions intensity target in CO<sub>2</sub>e/boe and components thereof; our approach to reducing emissions; development of an additional 14 solar power installations; exploring new technologies and innovations to further reduce emissions and ensure the long-term sustainability of our business into the future; new opportunities to reduce our freshwater usage; inactive well inventory and 10 year target; magnetic filtration payout timing, and benefits thereof; timing for outfitting assets with the OT platform; lobbying disclosure; and cybersecurity reviews.

All forward-looking statements are based on Crescent Point's beliefs and assumptions based on information available at the time the assumption was made. Crescent Point believes that the expectations reflected in these forward-looking statements are reasonable but no assurance can be given that these expectations will prove to be correct and such forward-looking statements included in this report should not be unduly relied upon. By their nature, such forward-looking statements are subject to a number of risks, uncertainties and assumptions, which could cause actual results or other expectations to differ materially from those anticipated, expressed or implied by such statements, including those material risks discussed in the Company's Material Change

Report, dated February 26, 2021, Annual Information Form for the year ended December 31, 2020 under "Risk Factors", our Management's Discussion and Analysis for the year ended December 31, 2020, under the headings "Risk Factors" and "Forward-Looking Information", our Management's Discussion and Analysis for the quarter ended March 31, 2021, under the headings "Risk Factors" and "Forward-Looking Information". The material assumptions are disclosed in the Management's Discussion and Analysis for the year ended December 31, 2020, under the headings "Capital Expenditures", "Liquidity and Capital Resources", "Critical Accounting Estimates", "Risk Factors", "Changes in Accounting Policies" and "Guidance" and in the Management's Discussion and Analysis for the three months ended March 31, 2021, under the headings "Overview", "Commodity Derivatives", "Liquidity and Capital Resources", and "Guidance". In addition, risk factors include: financial risk of marketing reserves at an acceptable price given market conditions; volatility in market prices for oil and natural gas, decisions or actions of OPEC and non-OPEC countries in respect of supplies of oil and gas; delays in business operations or delivery of services due to pipeline restrictions, rail blockades, outbreaks, blowouts and business closures and social distancing measures mandated by public health authorities in response to COVID-19; the risk of carrying out operations with minimal environmental impact; industry conditions including changes in laws and regulations including the adoption of new environmental laws and regulations and changes in how they are interpreted and enforced; uncertainties associated with estimating oil and natural gas reserves; risks and uncertainties related to oil and gas interests and operations on Indigenous lands; economic risk of finding and producing reserves at a reasonable cost; uncertainties associated with partner plans and approvals; operational matters related to non-operated properties; increased competition for, among other things, capital, acquisitions of reserves and undeveloped lands; competition for and availability of qualified personnel or management; incorrect assessments of the value and likelihood of acquisitions and dispositions, and exploration and development programs; unexpected geological, technical, drilling, construction, processing and transportation problems; availability of insurance; fluctuations in foreign exchange and interest rates; stock market volatility; general economic, market and business conditions, including uncertainty in the demand for oil and gas and economic activity in general as a result of the COVID-19 pandemic; uncertainties associated with regulatory approvals; uncertainty of government policy changes; the impact of the implementation of the Canada-United States-Mexico Agreement; uncertainty regarding the benefits and costs of acquisitions and dispositions, including the acquisition of the assets; failure to complete acquisitions and dispositions; uncertainties associated with credit facilities and counterparty credit risk; changes in income tax laws, tax laws, crown royalty rates and incentive programs relating to the oil and gas industry; the wide-ranging impacts of the COVID-19 pandemic, including on demand, health and supply chain; and other factors, many of which are outside the control of the Company. The impact of any one risk, uncertainty or factor on a particular forward-looking statement is not determinable with certainty as these are interdependent and Crescent Point's future course of action depends on management's assessment of all information available at the relevant time. Unless otherwise stated, references to emissions intensity refer to scope 1 greenhouse gas emissions.

There are numerous uncertainties inherent in estimating crude oil, natural gas and NGL reserves and the future cash flow attributed to such reserves. The reserves and associated cash flows therefrom are based upon a number of variable factors and assumptions, such as historical production from the properties, production rates, ultimate reserve recovery, timing and amount of capital expenditures, marketability of oil and natural gas, royalty rates, the assumed effects of regulation by governmental agencies and future operating expenses, all of which may vary materially. Actual reserve values may be greater than or less than the estimates provided herein. Also, estimates of reserves and future net revenue for individual properties may not reflect the same confidence level as estimates and future net revenue for all properties due to the effect of aggregation. Information relating to “reserves” is deemed to be forward-looking information, as it involves the implied assessment, based on certain estimates and assumptions, that the reserves described exist in the quantities predicted or estimated, and that the reserves described can be profitably produced in the future. All required reserve information for the Corporation is contained in its Annual Information Form for the year ended December 31, 2020, and in its Material Change Report, dated February 26, 2021, which are accessible at [www.sedar.com](http://www.sedar.com). With respect to disclosure contained herein regarding resources other than reserves, there is uncertainty that it will be commercially viable to produce any portion of the resources and there is significant uncertainty regarding the ultimate recoverability of such resources.

Additional information on these and other factors that could affect Crescent Point’s operations or financial results are included in Crescent Point’s reports on file with Canadian and U.S. securities regulatory authorities. Readers are cautioned not to place undue reliance on this forward-looking information, which is given as of the date it is expressed herein or otherwise. Crescent Point undertakes no obligation to update publicly or revise any forward-looking statements, whether as a result of new information, future events or otherwise, unless required to do so pursuant to applicable law. All subsequent forward-looking statements, whether written or oral, attributable to Crescent Point or persons acting on the Company’s behalf are expressly qualified in their entirety by these cautionary statements.

## NON-GAAP FINANCIAL MEASURES

In this report the Company use the terms “funds flow from operations”. These terms do not have any standardized meaning as prescribed by IFRS and, therefore, may not be comparable with the calculation of similar measures presented by other issuers.

Funds flow from operations is calculated based on cash flow from operating activities before changes in non-cash working capital, transaction costs and decommissioning expenditures. Transaction costs are excluded as they vary based on the Company's acquisition and disposition activity and to ensure that this metric is more comparable between periods. Decommissioning expenditures are discretionary and are excluded as they may vary based on the stage of the Company's assets and operating areas.

Management utilizes funds flow from operations as a key measure to assess the ability of the Company to finance dividends, operating activities, capital expenditures and debt repayments. Funds flow from operations as presented is not intended to represent cash flow from operating activities, net earnings or other measures of financial performance calculated in accordance with IFRS.

Management believes the presentation of the non-GAAP measures above provides useful information to readers as the measures provide increased transparency and the ability to better analyze performance against prior periods on a comparable basis. This information should not be considered in isolation or as a substitute for measures prepared in accordance with IFRS. For definitions of the non-GAAP measures listed above along with reconciliations from the non-GAAP measure to the most directly comparable GAAP measure, which is incorporated by reference, please see the Company's most recent annual Management's Discussion & Analysis available on SEDAR at [sedar.com](http://sedar.com), or EDGAR as [www.sec.gov](http://www.sec.gov) and on our website as [www.crescentpointenergy.com](http://www.crescentpointenergy.com).

## OIL & GAS DEFINITIONS

Barrels of oil equivalent (“boe”) may be misleading, particularly if used in isolation. A boe conversion ratio of 6 Mcf : 1 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. Given that the value ratio based on the current price of crude oil as compared to natural gas is significantly different from the energy equivalency of oil, utilizing a conversion on a 6:1 basis may be misleading as an indication of value.

The Company's annual aggregate production for 2020 and the references to "natural gas" and "crude oil", reported in this Sustainability Report consist of the following product types, as defined in NI 51-101 and using a conversion ratio of 6 Mcf : 1 Bbl where applicable:

	<b>2020 Annual</b>
Light & Medium Crude Oil (bbl/d)	20,842
Heavy Crude Oil (bbl/d)	4,380
Tight Oil (bbl/d)	70,637
<b>Total Crude Oil (bbl/d)</b>	<b>95,859</b>
<b>NGLs (bbl/d)</b>	<b>14,542</b>
Shale Gas (Mcf/d)	53,666
Conventional Natural Gas (Mcf/d)	13,781
<b>Total Natural Gas (Mcf/d)</b>	<b>67,447</b>
<b>Total (boe/d)</b>	<b>121,642</b>

### **Notice to US Readers**

The oil and natural gas reserves contained in this presentation have generally been prepared in accordance with Canadian disclosure standards, which are not comparable in all respects of United States or other foreign disclosure standards. For example, the United States Securities and Exchange Commission (the "SEC") generally permits oil and gas issuers, in their filings with the SEC, to disclose only proved reserves (as defined in SEC rules), but permits the optional disclosure of "probable reserves" and "possible reserves" (each as defined in SEC rules). Canadian securities laws require oil and gas issuers, in their filings with Canadian securities regulators, to disclose not only proved reserves (which are defined differently from the SEC rules) but also probable reserves and permits optional disclosure of "possible reserves", each as defined in NI 51-101. Accordingly, "proved reserves", "probable reserves" and "possible reserves" disclosed in this news release may not be comparable to US standards, and in this news release, Crescent Point has disclosed reserves designated as "proved plus probable reserves". Probable reserves are higher-risk and are generally believed to be less likely to be accurately estimated or recovered than proved reserves. "Possible reserves" are higher risk than "probable reserves" and are generally believed to be less likely to be accurately estimated or recovered than "probable reserves". In addition, under Canadian disclosure requirements and industry practice, reserves and production are reported using gross volumes, which are volumes prior to deduction of royalties and similar payments. The SEC rules

require reserves and production to be presented using net volumes, after deduction of applicable royalties and similar payments. Moreover, Crescent Point has determined and disclosed estimated future net revenue from its reserves using forecast prices and costs, whereas the SEC rules require that reserves be estimated using a 12-month average price, calculated as the arithmetic average of the first-day-of-the-month price for each month within the 12-month period prior to the end of the reporting period. Consequently, Crescent Point's reserve estimates and production volumes in this news release may not be comparable to those made by companies using United States reporting and disclosure standards. Further, the SEC rules are based on unescalated costs and forecasts. All amounts in the news release are stated in Canadian dollars unless otherwise specified.



# Crescent Point

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Crescent Point

**TASK FORCE ON  
CLIMATE-RELATED  
FINANCIAL DISCLOSURE**

# TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURE

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Crescent Point strives to provide decision-useful information to the investment community in regards to our management of climate related impacts. As part of our continued efforts to improve transparency regarding our Environmental, Social and Governance (ESG) strategy and performance, we are pleased to share our insight into how climate-related risks and opportunities may impact our business. This report includes performance data for the year ended December 31, 2020 and all financial data is reported in Canadian dollars. We also voluntarily submit to the Carbon Disclosure Project (CDP) Climate and Water questionnaires on an annual basis.

## GOVERNANCE OF CLIMATE-RELATED ISSUES

### Environment, Safety & Sustainability Committee of the Board

Our Environment, Safety & Sustainability (ES&S) Committee is responsible for oversight of climate-related issues. This committee regularly reviews our policies, standards and practices with respect to environmental stewardship, including climate-related topics, and reports findings to the Board of Directors. To ensure the committee is well informed on climate-related issues and their potential impact to our company, our Vice President, Engineering and EH&S, Manager, Environment and Manager, Regulatory provide climate-related updates to the ES&S Committee at all regularly scheduled meetings. Additionally, the committee meets quarterly with our Chief Executive Officer (CEO), Chief Operating Officer (COO), Vice President, Engineering and EH&S, Vice President, Operations and Technology, Director, Operations, Manager, Health and Safety, Manager, Environment and Manager, Regulatory to discuss issues and initiatives related to climate. During each regularly scheduled ES&S committee meeting, members hold an in-camera session without management. The climate-related responsibilities of the ES&S Committee include:

- Ensuring that the company has the necessary tools to measure environmental performance and compliance with applicable regulations;
- Reviewing environmental performance; and
- Ensuring that environmental risk management procedures are in place and functioning effectively

### Leadership

Our Board's ES&S Committee meets quarterly with our CEO, COO, Vice President, Engineering and EH&S, Vice President Operations and Technology, Director, Operations, Manager, Environment, Manager, Regulatory and Manager, Health and Safety. Management updates are provided to the ES&S Committee regularly regarding emissions key performance indicators (KPIs), major emission reduction initiatives, significant emissions trends, and applicable climate change policies and legislation and the potential impacts of such policies and legislation.

## Internal ESG Committee

The internal ESG Committee is comprised of subject matter experts from various disciplines within the company, including personnel from our Environment, Regulatory, Operations, Green Energy, and Government Relations Teams. Collectively, they are responsible for managing emissions and other climate-related data, as well as providing insight and analysis on emerging risks and opportunities. They also bring forth suggestions for reduction initiatives that can be analyzed in our emissions-tracking and forecasting model.

## GOVERNANCE OF CLIMATE-RELATED RISK

As part of our enterprise risk management process, we approach all risks, including those which are climate-related, in the same manner. Risks associated with climate change and environmental impacts are monitored and reviewed quarterly with risk owners. Management of climate risk is owned by the relevant Vice President given their expertise and authority to ensure that all risks in their areas have been identified and that management plans are in place to address such risks. Climate risks are reviewed quarterly with the Risk Management Committee (RMC), which is comprised of senior executives and C-suite officers. The RMC reports regularly to the Board and its Committees, including the Audit Committee which oversees risk management in general, and the ES&S Committee which provides oversight of climate related risks and opportunities.

## MANAGING CLIMATE-RELATED RISKS

Our Environment, Regulatory, Green Energy, and Engineering teams are responsible for managing our climate-related risks and opportunities. They explore ways to economically lower our emissions, reduce electricity and fuel consumption, increase efficiency, enhance revenue, and work toward generating clean power throughout our operations. They identify and execute projects to mitigate our exposure to carbon and methane risks and related costs in the near and long-term, including through low-carbon power generation, reducing flaring and venting and lowering the emissions and operating costs of our truck fleet.

As the majority of our climate-related risks stem from regulatory uncertainty and new regulations affecting our capital and operational expenditures, we have individuals within our Environment, Regulatory, and Government and Stakeholder Relations teams who frequently engage policy makers in the areas in which we operate. The efforts of these individuals are targeted toward achieving pragmatic and cost-effective policies that increase emission reductions and meet (or exceed) government mandates and targets. For example, we have been working with SaskPower (Saskatchewan crown corporation governing electricity generation in the province) to develop programs that support independent small-scale power generation (natural gas and solar) on oil and gas lease sites.

These actions are aimed at both cleaner electricity production and reducing the risk associated with increased financial costs from higher electricity prices and carbon taxes. Individuals from our Environment, Regulatory, and Government and Stakeholder Relations teams also directly engage the Saskatchewan Ministry of Environment and Ministry of Energy and Resources to support the development of emission reduction policies that cover all sectors with an output-based performance standard (OBPS) and emission reduction requirements specific to the oil and gas industry, respectively. These efforts are designed to help to mitigate regulatory uncertainty by supporting the development of regulations that will achieve real, measurable emission reductions.

To mitigate the impact of changes in physical climate parameters, we have business interruption insurance and property insurance designed to reduce the financial impact of events such as flooding and extreme temperatures. We have also implemented robust emergency response plans (ERPs) for all of our operations and facilities, which include clearly stated processes that must be followed in emergencies to ensure the safety of our workers, our communities and the environment.

## **IDENTIFYING CLIMATE-RELATED RISKS**

The impacts of all risks are quantified and assessed against our corporate risk matrix, considering potential human, environmental, financial and reputational consequences. The likelihood of occurrence within our industry and company is then determined and an inherent level of risk (high, medium or low) is applied. Based on the mitigation intensity and controls in place, we then determine a residual risk-level and prioritize accordingly.

## **TRANSITIONAL RISKS**

### **Current and Emerging Regulations**

Climate-related regulations typically increase in stringency over time in order to reach established targets. Depending on our compliance obligations at any given time, the risk associated with current regulation could increase in the future. This risk requires regular monitoring and assessment. Our Environment and Regulatory teams have developed models to estimate the financial impact of such regulations, and assess the related risk to the organization.

Emerging climate-related regulations may require financial expenditures over and above normal course of business, increasing operational costs. While there was much progress in 2020 to establish regulatory certainty and clarity through equivalency agreements between the federal government and provinces of Alberta and Saskatchewan, there remains a significant degree of uncertainty in regard to future climate policy as these equivalency agreements typical expire after five years. To determine the extent to which this uncertainty should be included in our climate-related risk assessments, our Environment and Regulatory teams have

built models to measure the expected financial and operational impact from proposed regulations and continue to update these models as more details emerge. The financial and operational impacts are assessed against our corporate risk matrix to determine the appropriate response and potential mitigation strategies.

### **Increased Greenhouse Gas (GHG) Pricing**

In Alberta, GHG emissions are regulated under the Emissions Management and Climate Resilience Act and the Technology Innovation and Emissions Reduction (“TIER”) Regulation, which came into effect January 1, 2020. The TIER system is mandatory for large emitters (100,000 tonnes CO<sub>2</sub>e of GHGs); however, facilities can be voluntarily registered into the system via individual opted-in facilities or creating an aggregated facility (two or more smaller facilities grouped together). Registered facilities are required to reduce their emissions intensity (tCO<sub>2</sub>e/boe) by 10 percent in 2020 based on a historical benchmark, and then by an additional 1 percent each year following. Companies may meet these required reductions by improving their operations; by purchasing and retiring Alberta-based emission reduction or offset credits; by contributing to the provincial TIER Compliance Fund; or by a combination of these actions. Any facility registered into the TIER system can apply to the Canadian Revenue Agency and receive an exemption from the federal fuel surcharge (carbon tax) on applicable fuel combustion. Crescent Point has an aggregate facility registered in the TIER system.

On January 1, 2019 the Government of Saskatchewan brought into force The Management and Reduction of Greenhouse Gases (Standards and Compliance) Regulations that creates a provincial OBPS program to regulate greenhouse gas emissions from large final emitters that emitted >25,000 tCO<sub>2</sub>e per year in 2017 or in any subsequent year. Facilities that emit >10,000 tCO<sub>2</sub>e and <25,000 tCO<sub>2</sub>e per year and aggregate facilities (two or more smaller facilities grouped together) may voluntarily register in the program. Upstream oil and gas facilities registered in the OBPS are required to reduce fuel combustion emissions by 15 percent by 2030, in relation to a 2018 baseline emission intensity. Program participants can either reduce their emissions intensity by 1.25 percent per year or incur a financial penalty equivalent to the prevailing federal carbon price (set at \$30/tonne in 2020). Crescent Point has two facilities registered in the Saskatchewan OBPS program, one mandatory facility and one aggregate facility.

Crescent Point does not operate any facilities that are regulated by the British Columbia GHG emissions regulations.

All carbon pricing systems in Canada are set to increase in price each year until they reach \$50/tonne, either by federal or provincial authority. The federal government has proposed further increases to \$170/tonne by 2030, though at the time of this report those proposed regulations have not been enacted or approved. We anticipate current and future environmental legislation will require reductions in emissions from our operations and may result in increased capital and operational expenditures, which could have material adverse effects on our financial conditions and results of operations.

We have built a carbon cost model to estimate potential carbon charges applied to each of our individual facilities in Canada, which is updated monthly to reflect changes in operations and production. We use this data to determine potential costs by province, business unit, foreman area, or facility, in terms of absolute dollar values and on a dollar per unit of production basis. Business decisions take into account the impact mitigation efforts may have on limiting potential future costs.

In order to mitigate increased carbon pricing and proactively address federally imposed emissions reductions, we have increased our emissions intensity reduction target to 50 percent by 2025, a target that includes a 70 percent reduction in absolute methane emissions. Our efforts are focused on significantly reducing our methane emissions associated with our operations, in particular the venting of stranded associated gas volumes, as methane is more harmful as a heat trapping gas than carbon dioxide and makes up a large portion of our emissions profile. Using 2017 as a baseline, our plan is to reduce our methane emissions by more than 70 percent throughout our operations by 2025. We plan to do this in three ways: by drilling no new net venting wells in our core areas (Shaunavon, Flat Lake, Viewfield, Kaybob), by tying in existing venting or flaring facilities and, where tie-ins are not possible, by installing combustors. Going forward, plans to tie-in single-well batteries will be included in our development budgeting and planning, thereby creating long-term and sustainable reductions in both flared and vented emissions.

In addition to venting and flaring reduction initiatives, we are also piloting the development of low carbon power (solar and natural gas) to lower our power-related emissions.

### **Reduced Market Access**

Our business depends in part upon the availability, proximity and capacity of oil and gas gathering systems, pipelines and processing facilities and rail loading facilities and railcars. Canadian federal and provincial, as well as U.S. federal and state, regulation of oil and gas production, processing and transportation, tax and energy policies, general economic conditions, changes in supply and demand and changes in pipeline ownership or operation could adversely affect our ability to produce or market oil and natural gas.

Canada has faced significant delays and, in some instances, the forced cancellation of some major pipeline projects. These actions may restrict market access for Canadian oil and gas, resulting in higher price differentials for the country's products than are currently present in the US. In addition, the Canadian federal government has added more regulatory requirements for pipeline projects, creating uncertainty as to the approval of new market access projects.

Ensuring economic access to multiple markets is a priority for our company and the Canadian oil and gas market in general. To manage and mitigate this risk, we have strategically built infrastructure to enable us to deliver a portion of our crude oil production into diversified refinery markets using rail transportation. The volume we transport by rail varies each year and is dependent on market pricing. We operate two railcar-loading facilities, serving our key producing areas of southeast and southwest Saskatchewan. By utilizing rail transportation, we have been able to access refining markets in the past that are not pipeline connected to western Canada, which diversifies price and reduces market risk.

In the U.S., climate policy is still evolving, and environmental non-governmental organizations have become more active in pursuing legal challenges to oil and gas drilling and pipeline projects. In turn, this could result in increased costs and additional operating restrictions or delays.

To mitigate the overall impact to the Company, on a corporate basis we actively initiate, manage and disclose the effects of our hedging activities to reduce the short-term impact of product price fluctuations on our business. Our strategy for crude oil and natural gas production is to hedge up to 65 percent, or as otherwise approved by the Board of Directors, of our net of royalty production up to a rolling three-and-a-half-year basis. We also use a combination of financial derivatives and fixed-differential physical contracts to hedge price differentials.

## **PHYSICAL RISKS**

Given our areas of operation, we are sheltered from the risk of many catastrophic events such as rising sea levels, hurricanes and major earthquakes; however, our operations may be affected by extreme weather events like flooding and wildfires or dramatic changes in temperature. We have business interruption insurance and property insurance coverage in place to help mitigate the impact of changes in physical climate parameters. Additionally, these risks have been incorporated into operational planning and facility construction where feasible and when the risk is deemed higher. Our facilities are designed with emergency shut-off systems that can be activated should an emergency occur. We've also deployed remote wellsite monitoring systems that allow us to shut down a well remotely should we encounter an event that prevents our ability to access the well directly.

## **CLIMATE-RELATED OPPORTUNITIES**

### **Renewable Power Generation**

National and sub-national governments in North America have already begun setting renewable energy generation targets, and we anticipate the legislative frameworks supporting and driving such targets will be strengthened over the coming years. We foresee the opportunity to participate in developing renewable energy generation projects to support these targets if regulators structure the frameworks in a manner that provides for the inclusion of current or new independent power producers. Given the nature of our operations, we already have a geographically diverse land and resource base well suited toward low-carbon power generation, such as solar and wind. Strengthened frameworks to achieve renewable energy targets are likely to include incentives of some form, which will help to improve the economics of these projects and make them more viable. We've assessed our largest facilities

in Saskatchewan to identify opportunities for solar installations and engage regularly with the Saskatchewan government and crown corporations (SaskPower, SaskEnergy and TransGas) to help develop and improve current programs to support the development of renewable and low-emissions power generation sources. In addition, we have met with technology developers and suppliers to investigate available technology and potential partnerships with companies to trial and develop new technologies and approaches.

To date, we have completed two pilot solar power generation projects to determine their effectiveness, reliability, and suitability for our operations: one at an oil production facility (100kW) since sold, and one at our Carlyle, Saskatchewan office (90kW). Based on the success of these initial projects, we are pursuing the development of an additional 14 solar power installations with a total installed capacity of approximately 6.5 MW. The solar projects under development have been funded in part by Environment and Climate Change Canada under their Low Carbon Economy Challenge.

### **Carbon Capture, Utilization, and Storage (CCUS)**

Given the ambitious climate change abatement plans of the public and private sectors, CCUS has been highlighted as a key enabling mechanism to reach those goals. Future investment in this space is very likely to accelerate and we believe our asset base is uniquely positioned to benefit from growth in this space. Our consolidated asset position has the potential to both store carbon dioxide and utilize it for enhanced oil recovery. We are currently exploring various initiatives to source, transport, and inject carbon dioxide and intend to initiate a pilot project shortly.

### **Low Carbon Drilling Solutions**

Given the initiatives across the oil and gas sector to develop creative solutions to address climate change, drilling companies are exploring solutions to modify their existing rig fleet or transition to equipment that utilizes lower-carbon energy sources. This includes the development of clean burning natural gas generators and equipment to power existing electricity-powered drilling rigs and dual-fuel frac fleets that replace a portion of the diesel fuel supply with natural gas. Future investment in this space is very likely to accelerate and in partnership with our drilling contractors we are positioned to benefit from growth in this space.

## LOOKING AHEAD

Crescent Point recognizes the importance of incorporating climate-related risks and opportunities into all aspects of our business plans. We are committed to reducing our GHG emissions and exploring new ways to economically reduce energy consumption and increase efficiency throughout our operations. We will continue to advocate for pragmatic policies that maximize emission reductions in support of government mandates and societal expectations.

We are committed to increasing transparency and performance regarding climate-related risks and opportunities and will continue to provide timely and relevant disclosure regarding our approach to climate-related risks and opportunities in the years ahead. We look forward to reporting on our progress annually to demonstrate our commitment to effectively managing risk and capitalizing on opportunities to enhance our overall performance.

# FORWARD LOOKING STATEMENTS

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Any “financial outlook” or “future oriented financial information” in this report, as defined by applicable securities legislation has been approved by management of Crescent Point. Such financial outlook or future oriented financial information is provided for the purpose of providing information about management’s current expectations and plans relating to the future. Readers are cautioned that reliance on such information may not be appropriate for other purposes.

Certain statements contained in this presentation constitute “forward-looking statements” within the meaning of section 27A of the Securities Act of 1933 and section 21E of the Securities Exchange Act of 1934 and “forward-looking information” for the purposes of Canadian securities regulation (collectively, “forward-looking statements”). The Company has tried to identify such forward-looking statements by use of such words as “could”, “should”, “can”, “anticipate”, “expect”, “believe”, “will”, “may”, “intend”, “projected”, “sustain”, “continues”, “strategy”, “potential”, “projects”, “grow”, “take advantage”, “estimate”, “well-positioned”, “target” and other similar expressions, but these words are not the exclusive means of identifying such statements.

In particular, this report contains forward-looking statements pertaining, among other things, to the following: reducing GHG emissions intensity by 50 percent by 2025, from 2017 levels, including a 70 percent reduction in absolute methane emissions by 2025; the ways in which emission targets will be achieved; development of an additional 14 solar power installations; advocating for pragmatic policies that maximize emission reductions in support of government mandates and societal expectations; providing timely and relevant disclosure regarding our approach to climate-related risks and opportunities in the years ahead; accelerated investments in low carbon drilling solutions, and opportunities for the Company to benefit; and reporting on our progress annually to demonstrate our commitment to effectively managing risk and capitalizing on opportunities to enhance our overall performance.

All forward-looking statements are based on Crescent Point’s beliefs and assumptions based on information available at the time the assumption was made. Crescent Point believes that the expectations reflected in these forward-looking statements are reasonable but no assurance can be given that these expectations will prove to be correct and such forward-looking statements included in this report should not be unduly relied upon. By their nature, such forward-looking statements are subject to a number of risks, uncertainties and assumptions, which could cause actual results or other expectations to differ materially from those anticipated, expressed or implied by such statements, including those material risks discussed in the Company’s Material Change Report, dated February 26, 2021, Annual Information Form for the year ended December 31, 2020 under “Risk Factors“, our Management’s Discussion and Analysis for the year ended December 31, 2020, under the headings “Risk Factors” and “Forward-Looking Information“, our Management’s Discussion and Analysis for the quarter ended March 31, 2021, under the headings “Risk Factors” and “Forward-Looking Information”. The material assumptions are disclosed in the Management’s Discussion and Analysis for the year ended December 31, 2020, under the headings “Capital Expenditures”, “Liquidity and Capital Resources”, “Critical Accounting Estimates”, “Risk Factors”, “Changes in Accounting Policies” and “Guidance” and in the Management’s Discussion

and Analysis for the three months ended March 31, 2021, under the headings “Overview”, “Commodity Derivatives”, “Liquidity and Capital Resources”, and “Guidance”. In addition, risk factors include: financial risk of marketing reserves at an acceptable price given market conditions; volatility in market prices for oil and natural gas, decisions or actions of OPEC and non-OPEC countries in respect of supplies of oil and gas; delays in business operations or delivery of services due to pipeline restrictions, rail blockades, outbreaks, blowouts and business closures and social distancing measures mandated by public health authorities in response to COVID-19; the risk of carrying out operations with minimal environmental impact; industry conditions including changes in laws and regulations including the adoption of new environmental laws and regulations and changes in how they are interpreted and enforced; uncertainties associated with estimating oil and natural gas reserves; risks and uncertainties related to oil and gas interests and operations on Indigenous lands; economic risk of finding and producing reserves at a reasonable cost; uncertainties associated with partner plans and approvals; operational matters related to non-operated properties; increased competition for, among other things, capital, acquisitions of reserves and undeveloped lands; competition for and availability of qualified personnel or management; incorrect assessments of the value and likelihood of acquisitions and dispositions, and exploration and development programs; unexpected geological, technical, drilling, construction, processing and transportation problems; availability of insurance; fluctuations in foreign exchange and interest rates; stock market volatility; general economic, market and business conditions, including uncertainty in the demand for oil and gas and economic activity in general as a result of the COVID-19 pandemic; uncertainties associated with regulatory approvals; uncertainty of government policy changes; the impact of the implementation of the Canada-United States-Mexico Agreement; uncertainty regarding the benefits and costs of acquisitions and dispositions, including the acquisition of the assets; failure to complete acquisitions and dispositions; uncertainties associated with credit facilities and counterparty credit risk; changes in income tax laws, tax laws, crown royalty rates and incentive programs relating to the oil and gas industry; the wide-ranging impacts of the COVID-19 pandemic, including on demand, health and supply chain; and other factors, many of which are outside the control of the Company. The impact of any one risk, uncertainty or factor on a particular forward-looking statement is not determinable with certainty as these are interdependent and Crescent Point’s future course of action depends on management’s assessment of all information available at the relevant time. References to emissions intensity refer to scope 1 greenhouse gas emissions.

Additional information on these and other factors that could affect Crescent Point’s operations or financial results are included in Crescent Point’s reports on file with Canadian and U.S. securities regulatory authorities. Readers are cautioned not to place undue reliance on this forward-looking information, which is given as of the date it is expressed herein or otherwise. Crescent Point undertakes no obligation to update publicly or revise any forward-looking statements, whether as a result of new information, future events or otherwise, unless required to do so pursuant to applicable law. All subsequent forward-looking statements, whether written or oral, attributable to Crescent Point or persons acting on the Company’s behalf are expressly qualified in their entirety by these cautionary statements.

## **OIL & GAS DEFINITIONS**

Barrels of oil equivalent (“boe”) may be misleading, particularly if used in isolation. A boe conversion ratio of 6 Mcf : 1 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. Given that the value ratio based on the current price of crude oil as compared to natural gas is significantly different from the energy equivalency of oil, utilizing a conversion on a 6:1 basis may be misleading as an indication of value.



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