



Sustainability Report 2025



International
Petroleum
Corp.

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About This Report

Standards applicability

This is the seventh annual Sustainability Report prepared by International Petroleum Corporation (IPC or the Company) on behalf of IPC and our subsidiaries. With this report, IPC is upholding its commitment to sustainability and transparency, and is taking into consideration the recent International Financial Reporting Standards (IFRS) S1 and S2 framework issued by the International Sustainability Standards Board (ISSB), as we continue to enhance the transparency and consistency of our sustainability reporting. This report incorporates several core concepts of IFRS S1 and S2 such as governance, strategy, risk management and metrics. The climate-related disclosures included in this report reflect work undertaken during the first half of 2026 to enhance alignment with IFRS S2, as described on pages 11 and following.

We also comply with reporting requirements, including the Extractive Sector Transparency Measures Act (ESTMA) and the Canadian law against Forced Labour and Child Labour in Supply Chains (Modern Slavery Act). We remain committed participants in the UN Global Compact, supporting its ten principles and the UN Sustainable Development Goals (SDGs), and continue to report in accordance with the GRI Standards.

Reporting boundaries

Our performance is reported and measured on a gross (100%) operated basis for all material topics and metrics. We maintain operational offices in the countries where our assets are located, which include Canada, France, and Malaysia, and we have corporate employees in our office in Switzerland. For environmental topics, performance is reported for the three countries where we have operational activities: Canada, France, and Malaysia. For social and governance topics, reporting extends to Canada, France, Malaysia, and Switzerland, reflecting all locations where IPC personnel are employed.

IPC's Sustainability, Operations, and Investor Relations teams oversaw the collection and analysis of corporate information presented in this Sustainability Report, which has been approved by the Company's Executive Committee and Board of Directors. A thorough content gathering and approval process was followed with the aim that all information contained in this report accurately reflects our practices and performance.

All dollar amounts are expressed in U.S. currency unless otherwise indicated. Unless otherwise noted: (i) all information in this report is presented as at, and for the year ended, December 31, 2025, and (ii) the data and analysis relates to IPC and not its partners, suppliers or customers.

How this report is structured

This report begins with an overview of IPC's business, sustainability governance, strategy, and risk management approach, followed by disclosures on our key environmental, social, and governance topics. Each topic outlines why it matters to IPC, our management approach, actions taken during 2025, and the metrics used to measure performance.

Climate-related disclosures are presented separately and follow a different structure than the other material topics. This reflects the more detailed requirements of IFRS S2, which organizes disclosures around governance, strategy, risk management, and metrics and targets. As a result, the climate section provides a more comprehensive assessment of climate-related risks, opportunities, resilience, and performance.

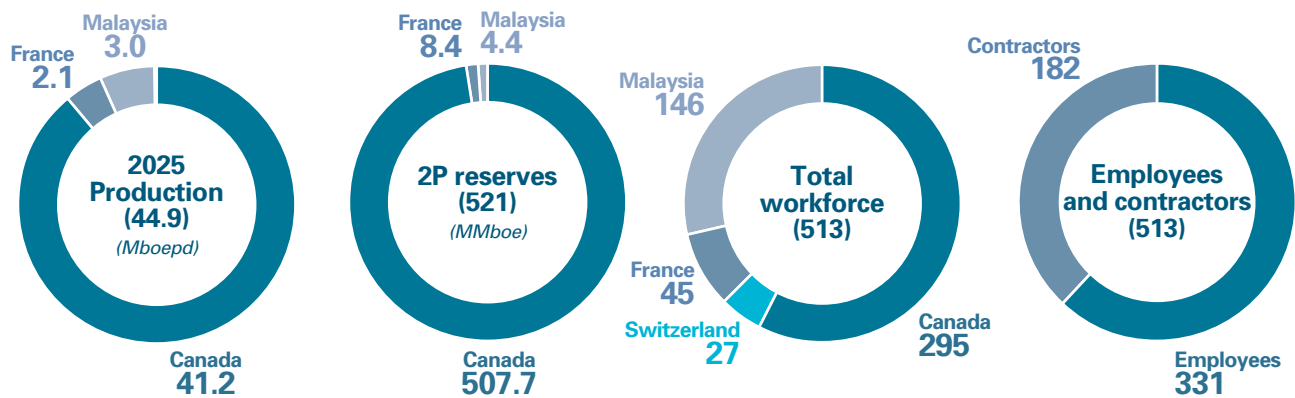
IPC's Business Overview

Key business activities

IPC is an internationally focused upstream oil and gas company with diversified, stable, and low-risk production and development assets located in Canada, France and Malaysia.

- **Canada:** IPC's Canadian oil and gas assets are located in Alberta and Saskatchewan. In southern Alberta, the Suffield area consists of conventional oil and gas assets, while the Onion Lake and Blackrod Phase 1 (under final stages of development as at December 31, 2025) properties in Saskatchewan and northern Alberta represent IPC's thermal heavy oil assets.
- **France:** In France, our oil production derives from two main operating basins. The majority of our production and reserves comes from the Paris Basin fields where we hold a 100% working interest in nine of the ten producing fields as at December 31, 2025. The remaining production comes from the Aquitaine Basin, where IPC held 50% non-operated working interests as at December 31, 2025.
- **Malaysia:** In Malaysia, IPC holds a 100% working interest and operatorship of the Bertam field offshore to the east of Peninsular Malaysia in Block PM307.

Global production, reserves and workforce 2025



Our operations in 2025

In 2025, IPC delivered one of the most significant investment programs since inception, driven with the ahead of schedule advancement of the transformational Blackrod Phase 1 development in Canada. This elevated level of capital deployment was supported by continued focus on delivering operational excellence at IPC's producing asset base in Canada, France and Malaysia. Full-year average net production was at the high end of guidance at 44,900 boepd, supported by stable production across all assets and targeted drilling and optimization activities.

2025 operations highlights

- Across all operating regions, no material safety or environmental incidents were recorded, reflecting IPC's continued commitment to safe and responsible operations.
- Delivered full-year average net production of 44,900 boepd, maintaining record of delivering production in line with or above guidance since inception
- The Blackrod Phase 1 development progressed ahead of schedule and on budget, with first steam successfully achieved in Q4 2025, marking a key milestone in the transition towards first oil.
- At the Onion Lake Thermal asset in Canada, four production infill wells and the final sustaining well pair were brought online, supporting continued strong production performance.
- In Malaysia, the Bertam field infill well drilling and well workover program was successfully completed, contributing to stable production and optimized field performance.

IPC's Business Overview

Blackrod Phase 1 project progress

Blackrod remains IPC's largest resource and a cornerstone of its long-term growth strategy. Following more than a decade of pilot operations and technical evaluation, Phase 1 of the project was sanctioned in 2023. During 2025, the project achieved several important milestones, reflecting continued progress toward first oil and the successful execution of the development plan.

Key accomplishments during 2025 included:

- Delivery of first steam in December 2025, ahead of original schedule
- Near completion of construction of the central processing facility
- Advancement of commissioning and operational readiness preparations
- Continued progress in drilling and completions activities

By the end of 2025, approximately USD 820 million of cumulative capital had been invested in Blackrod Phase 1 since project sanction. With only just over USD 30 million remaining to reach first oil, the project demonstrated strong capital discipline and effective cost management against the total planned development budget.

The project subsequently reached a major milestone with first oil achieved on May 31, 2026. Production is expected to ramp up steadily toward the planned plateau rate of approximately 30,000 bopd by late 2027.

Blackrod's long-term value proposition was further strengthened during 2025 through growth in the project's resource base, supported by positive drilling results and strategic adjacent land acquisition.

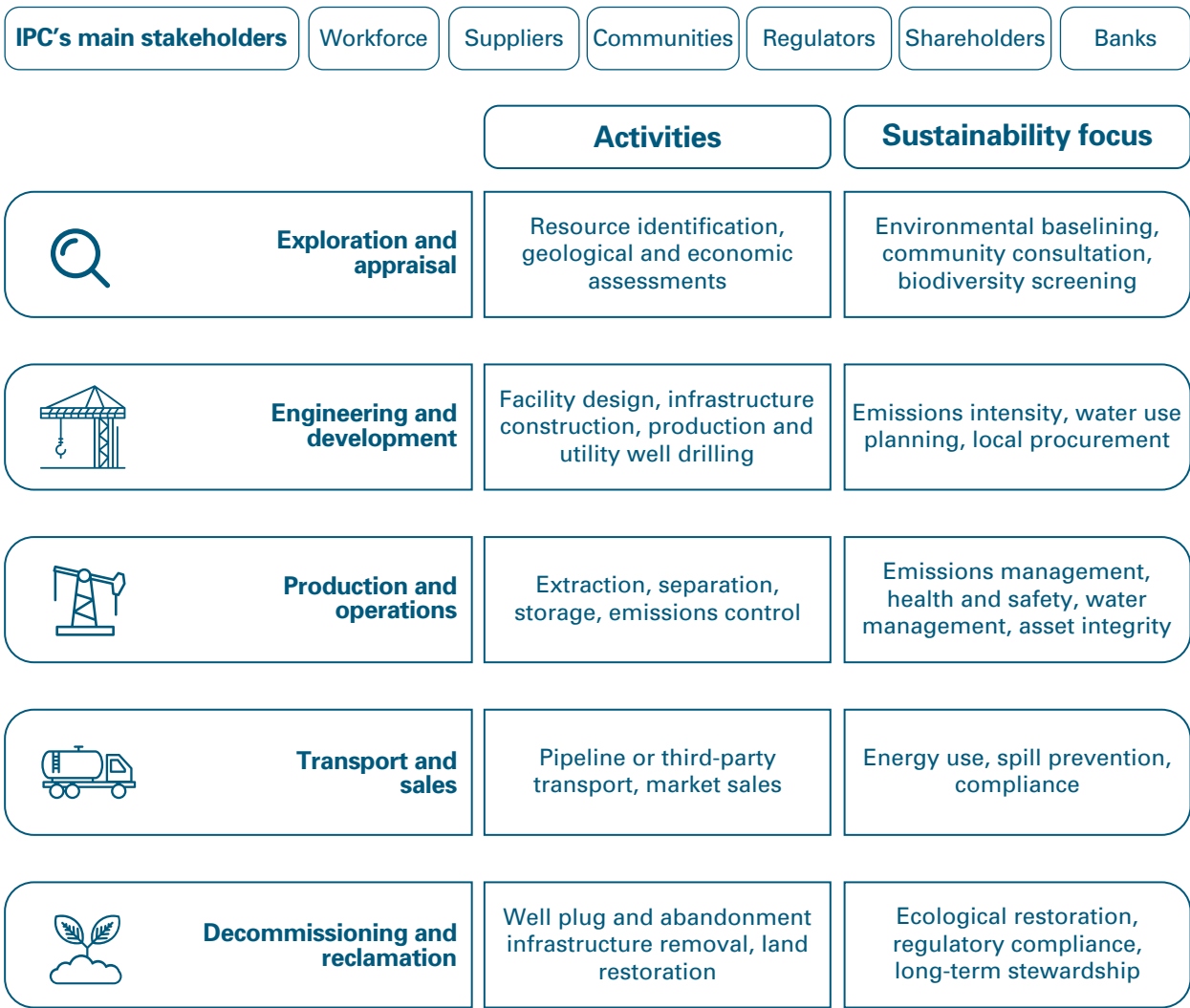
For additional information, please refer to IPC's [Q4 2025 Management's Discussion and Analysis](#) and the Annual Information Form for the year ended December 31, 2025, available on [international-petroleum.com](https://www.international-petroleum.com).

IPC's Business Overview

Our value chain

IPC's value chain covers the full lifecycle of upstream oil and gas operations, from exploration, development, production, sales, and decommissioning. These activities are supported by integrated corporate functions and shaped by strong collaboration with employees, suppliers, communities and regulators where we operate.

With assets in Canada, Malaysia and France, IPC tailors its operational strategies to the specific sustainability risks and opportunities in each location. Local conditions guide our planning, decision-making, and investment priorities.



IPC's operations span five key stages. The exploration and appraisal phase involves identifying and evaluating the potential of oil and gas reserves. In the engineering and development stage, IPC designs and builds the infrastructure needed to support production. The production and operations phase focuses on the extraction and processing of hydrocarbons with an emphasis on efficiency and safety. During the transport and sales stage, products are moved to market through established networks and commercial partnerships. Finally, the decommissioning and reclamation stage provides for the safe retirement of assets, and the restoration of land after operations end.

At each stage, IPC aims to incorporate sustainability considerations, including emissions management, water stewardship, regulatory compliance, engagement with local stakeholders, and long-term asset integrity. This approach supports responsible operations that align with our sustainability goals.

Materiality Assessment

IPC previously elevated its materiality assessment from single materiality as per the Global Reporting Initiative (GRI) Guidelines to a Double Materiality Assessment (DMA) in accordance with the European Union's Corporate Sustainability Reporting Directive (CSRD) published in June 2023. This assessment, which was conducted through a process tailored specifically for IPC, evaluated both the potential positive and negative impacts on people and the environment (impact materiality) and the risks and opportunities that may lead to financial effects on IPC (financial materiality).

IPC identified and prioritized its key Environmental, Social, and Governance (ESG) Impacts, Risks, and Opportunities (IROs) associated with fifteen material topics, establishing quantitative thresholds throughout the identification and prioritization process.

Our 15 most material topics

Environmental	Social	Governance
Climate Policy and Physical Effects	Health and Safety	Corporate Culture
Carbon Emissions	Workplace well-being	Management of relations with suppliers
Pollution of Water	Talent Management	
Pollution of Soil	Diversity	
Water consumption and use	Working conditions in the value chain	
Water discharges	Indigenous peoples' rights	
	Community engagement and management	

IPC's Executive Committee subsequently validated the results of this assessment. These findings will inform and strengthen IPC's overall risk profile, aiming for the integration of sustainability-related risks and opportunities into our annual corporate risk management process. Furthermore, the DMA outcomes shape the material sustainability disclosures presented in this Sustainability Report, as we continue to integrate these insights into our sustainability strategy.

Key findings from the IRO assessment

Using the IRO framework enables us to categorize each ESG topic by:

- **Type:** Impact, Risk, or Opportunity
- **Polarity:** Positive or Negative
- **Status:** Actual (currently materialized) or Potential (likely to arise)

This analysis covered four core ESG dimensions, namely Climate, Environment, Social, and Governance, and identified key material topics influencing our performance, compliance exposure, and future strategy.

High-risk areas

A significant share of IPC's ESG exposure lies within the Social and Climate dimensions. Social risks and negative impacts are particularly concentrated around occupational safety, job stability, irregular shifts, and working conditions, both internally and throughout our value chain. On the climate front, we face potential exposure to carbon pricing mechanisms and a changing regulatory landscape; all of which present critical regulatory and reputational risks that must be proactively managed.

Untapped opportunities

Despite these risks, our assessment also revealed potential opportunities, for example in the Climate and Governance dimensions. Climate opportunities include operational efficiency improvements, carbon market participation and other low carbon investments. Governance remains a core strength of IPC's ESG profile, with tangible positive impacts in collaborative leadership, team culture, and the empowerment of local suppliers.

Materiality Assessment

Dual role of social responsibility

The Social dimension plays a complex dual role in IPC's ESG landscape. While it represents an area of potential vulnerability, it also offers some of the most impactful opportunities - particularly in workforce development and employee engagement. As such, social sustainability stands as both an exposure and a strategic lever, requiring continued focus and investment to drive positive change and mitigate long-term risk.

Overview of the IRO assessment

Dimension	Total IROs	Critical areas	Key observations
Climate	14	Carbon pricing and regulatory change	High potential opportunity; low actualization
Environment	6	Potential offshore discharges, soil and water pollution	Managing risks
Social	28	Health and safety, job stability, community issues	Mixed exposure: strong risks and good practices
Governance	3	Positive leadership and supplier development	Consistently positive contributor

Sustainability Governance

Board composition and oversight

IPC's Board of Directors has primary responsibility for setting the IPC group's overall direction, strategy, and goals, overseeing executive management, and ensuring compliance with legal and ethical standards. Its responsibilities include supervising the management of operational and financial performance, risk management, succession planning, and fostering strong relationships between shareholders and executive management to build trust, confidence, and long-term value. The Board committees, composed of selected Board members, address specific focus areas and report to the full Board. Sustainability is primarily overseen by the Reserves and Sustainability Committee, whose responsibilities are defined in the Committee's mandate.

The Reserves and Sustainability Committee as at December 31, 2025 comprised Dr. Emily Moore (Chair), Chris Bruijnzeels and Mike Nicholson. All members bring extensive direct management experience in sustainability matters, including health and safety, social issues, environmental compliance and corporate governance. The Committee met four times in 2025, with full attendance by all members.

During the year, the Committee received updates on climate-related topics, including sustainability reporting standards and disclosure requirements, carbon tax developments, and net GHG emissions intensity. It also participated in education sessions on greenwashing legislation in Canada. In addition, the Committee was briefed on the Company's HSE performance, Blackrod Phase 1 site safety management, decommissioning liabilities, crisis management policies and procedures, as well as cybersecurity and AI risks and the Company's mitigation initiatives.

The Nominating and Corporate Governance Committee is responsible for conducting annual assessments of Board effectiveness, coordinating ongoing Board education, and recommending director nominees. This committee also ensures the Board remains diverse, independent, and aligned with IPC's strategic goals. In 2025, the Board consists of eight members, five of whom are independent directors.

Management role in sustainability governance

The Executive Committee maintains robust governance mechanisms to oversee IPC's ESG and climate-related impacts, risks, and opportunities. As part of our ongoing commitment to sustainability, Executive Committee members receive quarterly sustainability updates from the Sustainability Director, the management-level executive responsible for overseeing the Company's global Sustainability Strategy. In this role, the Sustainability Director collaborates closely with cross-functional teams to ensure that sustainability considerations are fully integrated across all areas of the organization.

Sustainability Governance

To ensure that the Executive Committee and the Board have the necessary skills and expertise to address sustainability-related risks and opportunities, both Board members and the Executive team regularly participate in ESG-focused training. This includes dedicated sessions on climate risk, and ESG regulations, as well as focused risk management sessions to review and integrate climate and sustainability impact, risks and opportunities (IRO) in the broader Enterprise Risk Management (ERM) process.

Executive compensation is directly linked to ESG and climate performance, reinforcing accountability and alignment with our sustainability objectives. Specifically, 15% of the corporate targets influencing variable executive compensation are tied to ESG-related outcomes, including climate, the environment, and health and safety goals.

Corporate policies

IPC has established a comprehensive set of policies to ensure clarity, consistency, and integrity throughout its operations. These policies form the foundation for ethical behaviour, informed decision-making, and compliance with regulatory requirements. Reflecting IPC's commitment to strong corporate governance and continuous improvement, the following list outlines the Company's core policies. The Board reviews these policies regularly to maintain alignment with evolving best practices and the expectations of Canadian and European regulatory authorities, including the Toronto Stock Exchange and Nasdaq Stockholm.

Environmental	Social	Governance
Sustainability Policy	Health and Safety Policy	Code of Ethics and Business Conduct
Environmental Policy	Human Rights Policy	Supplier Code of Conduct
HSE Management System	Diversity and Inclusion Policy	Anti-Corruption Policy
	Stakeholder Relations Policy	Anti-Fraud Policy
		Anti-Money Laundering Policy
		Competition Law Policy
		Corporate Tax Policy
		Risk Management Policy
		Security Policy
		Whistleblowing Policy and Procedure

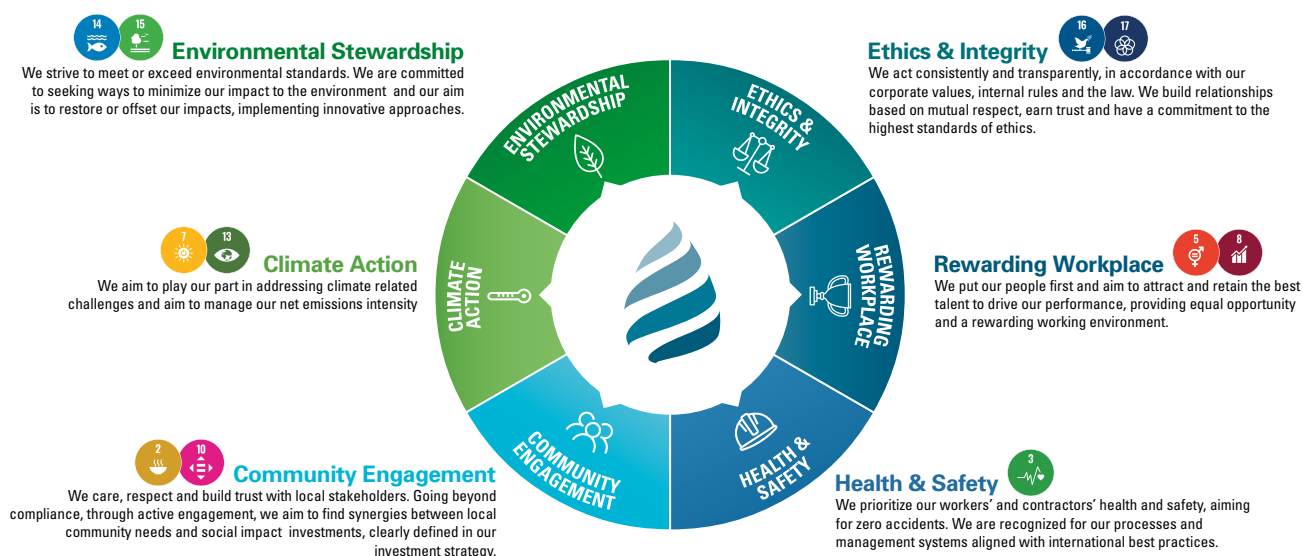
All key policies can be found on our website [international-petroleum.com](https://www.international-petroleum.com)

Sustainability Strategy and Business Model

IPC is an entrepreneurial, value-driven company bringing energy to the world in a sustainable way. Our strategy is twofold: first, to maximize the value of our assets in Canada, Malaysia and France by fully realizing their resource potential, and second to pursue acquisitions of assets with reserves and resources in production or development stages. While our geographic scope remains flexible, our commitment to responsible, sustainable operations remains a corporate focus.

Sustainability is embedded in our strategic approach and is structured around six core priorities that reflect our commitment to responsible and resilient growth. **Environmental Stewardship** drives our efforts to manage and offset environmental impacts through innovation and high standards. **Climate Action** guides our contribution to global climate goals through managing net emissions intensity. Through **Community Engagement**, we foster trust with local stakeholders and invest in initiatives that address region-specific needs and priorities. Our focus on a **Rewarding Workplace** ensures we attract and retain talent by promoting equal opportunity, inclusion, and professional growth. **Health and Safety** remains a crucial pillar, with a commitment to zero harm and practices aligned with international standards. Lastly, **Ethics and Integrity** underpin everything we do, ensuring transparency, compliance, and strong relationships with all stakeholders. These six priorities shape how we operate and define our long-term contribution to a sustainable future.

Our Six Sustainability Priorities



Risk Management

IPC follows a structured and proactive approach to risk management through our Enterprise Risk Management (ERM) process, where IPC reviews our risk exposure at least twice a year. This process identifies and addresses significant operational, financial, and strategic risks, enabling IPC to anticipate emerging threats, allocate resources effectively, and support informed decision-making across all levels of the organization. IPC enhanced our risk identification by conducting the DMA aligned with evolving sustainability standards. This assessment evaluates the financial impacts of sustainability-related risks and the opportunities for IPC's business, and the Company's broader effects on people and the environment.

As described further in this report, the assessment highlighted several climate-related risks and identified opportunities such as potential participation in the Canadian carbon market, access to government incentives, and improvements in operational efficiency. To manage climate risks and opportunities, IPC applies an internal carbon price and aims to incorporate emissions forecasts into our investment decisions. In France, the Company is investigating carbon transport and supporting carbon capture and storage (CCS) facilities if feasible.

IPC also recognizes social risks that could impact operations, including health and safety incidents and community engagement. To address health, safety, and labour risks, IPC has implemented a robust management system that continuously monitors, trains, and evaluates employees and contractors to ensure compliance with regulations and maintain a safe working environment. IPC also maintains an active community engagement program, including with Indigenous communities in Canada.

Environment-Related Risks and Opportunities

CLIMATE-RELATED FACTORS

Material topics: policy and legal landscape on climate-related factors and carbon emissions

Why it matters to IPC

IPC operates in an industry that is influenced by evolving climate-related policies, regulations, market expectations, and stakeholder perspectives. As an oil and gas producer, IPC's operations generate greenhouse gas (GHG) emissions and are subject to carbon pricing mechanisms, emissions regulations, and climate-related reporting requirements in the jurisdictions where the Company operates.

Changes in the climate policy and legal landscape may create operational, financial, and strategic risks for IPC. These may include increased compliance costs associated with carbon pricing programs, emissions regulations, and permitting or regulatory processes. Climate-related considerations may also influence access to capital, insurance availability, stakeholder expectations, and the long-term competitiveness of certain assets and operations.

Physical effects associated with climate-related factors, including the potential for more frequent or severe weather events, may also affect infrastructure reliability, operational continuity, supply chains, and workforce safety.

At the same time, IPC continues to identify opportunities to improve operational efficiency, manage emissions intensity, enhance energy management practices, and support long-term business resilience. In Canada, the Company may also benefit from established carbon markets, emissions incentives, or other regulatory mechanisms intended to support emissions management and operational improvements.

IPC monitors climate-related developments as part of its broader risk management and strategic planning processes. The Company's approach is intended to support regulatory compliance, operational performance, and disciplined capital allocation while responding to evolving stakeholder and market expectations.

Reporting on Climate-related Factors

We recognize the potential and perceived impacts of climate-related factors on society and our business both today and into the future. Our reporting on the management of climate-related factors has been guided by the TCFD recommendations since 2023. In 2026, we adopted certain guidance from IFRS S2, which is based on the TCFD recommendations with industry-specific climate metrics based on the SASB standards. In 2025 and 2026, IPC has refreshed its climate-related risk framework further in alignment with IFRS S2 and engaged senior management in the process.

Climate-Related Governance

Climate-related risks and opportunities can impact our business in many ways. We therefore actively manage such risks and opportunities so that we can continue to grow and achieve our goals. Climate-related issues are identified by every level of management, including the Board, executive team, business units and corporate functions.

IPC's oversight of climate-related risks and opportunities is embedded at the highest level of our Company. We are continually evolving our corporate governance structure in recognition of the need to address these issues and in response to our increasing understanding of the impact of climate-related factors on our business.

IPC recognizes the importance of incorporating climate-related factors into our governance framework. Effective oversight by IPC's Board and senior management is essential for evaluating and managing the potential effects of climate-related factors on strategic and financial planning, as well as business performance. To this end we embed climate-related considerations into our governance structure at both levels.

Oversight by the Board of Directors

Meeting at least four times per year, the Reserves and Sustainability Committee (the Committee) assists the Board in monitoring and assessing compliance with climate-related regulation and reporting. The Committee receives management reports on changes in climate-related legislation and the potential impact of policy developments on IPC's business. The Committee reports to and makes recommendations to the Board on climate-related matters. The Committee also supports the Board in overseeing Company-wide climate-related strategies, policies and practices. The Board reviews and updates the Company's strategy regularly. The Board's climate-related discussions consider growth initiatives and strategies, capital allocation, policy development and other matters.

IPC's Board is committed to ensuring effective governance mechanisms are implemented to oversee the Company's operational, financial, ESG, and climate-related issues. To monitor and evaluate IPC's performance in these areas, the Board has implemented reporting mechanisms that provide relevant information and updates on progress and continuous improvement efforts. Additionally, the Board is responsible for overseeing and monitoring executive remuneration, which is linked to ESG performance, including progress towards targets. There is a 15% weighting for climate, environmental, and safety targets in the determination of variable executive remuneration. By aligning

Environment-Related Risks and Opportunities

executive remuneration with ESG performance, IPC aims to promote accountability and incentivize progress towards our sustainability goals.

The Committee's responsibilities include reviewing and reporting on sustainability matters to the Board, which includes climate-related implications. The CEO, COO, and Sustainability Director jointly share the responsibility for keeping the Board informed and engaged on climate-related matters.

Climate-related issues are taken into account in decision-making processes for organizational strategy and business planning. IPC has conducted a formal climate awareness and risk overview session with the Board and provides regular updates to the Board and its committees. When considering ongoing capital expenditures as well as new investments and acquisitions, projected climate-related factors and the impact on IPC's climate-related strategies are included in the decision-making process.

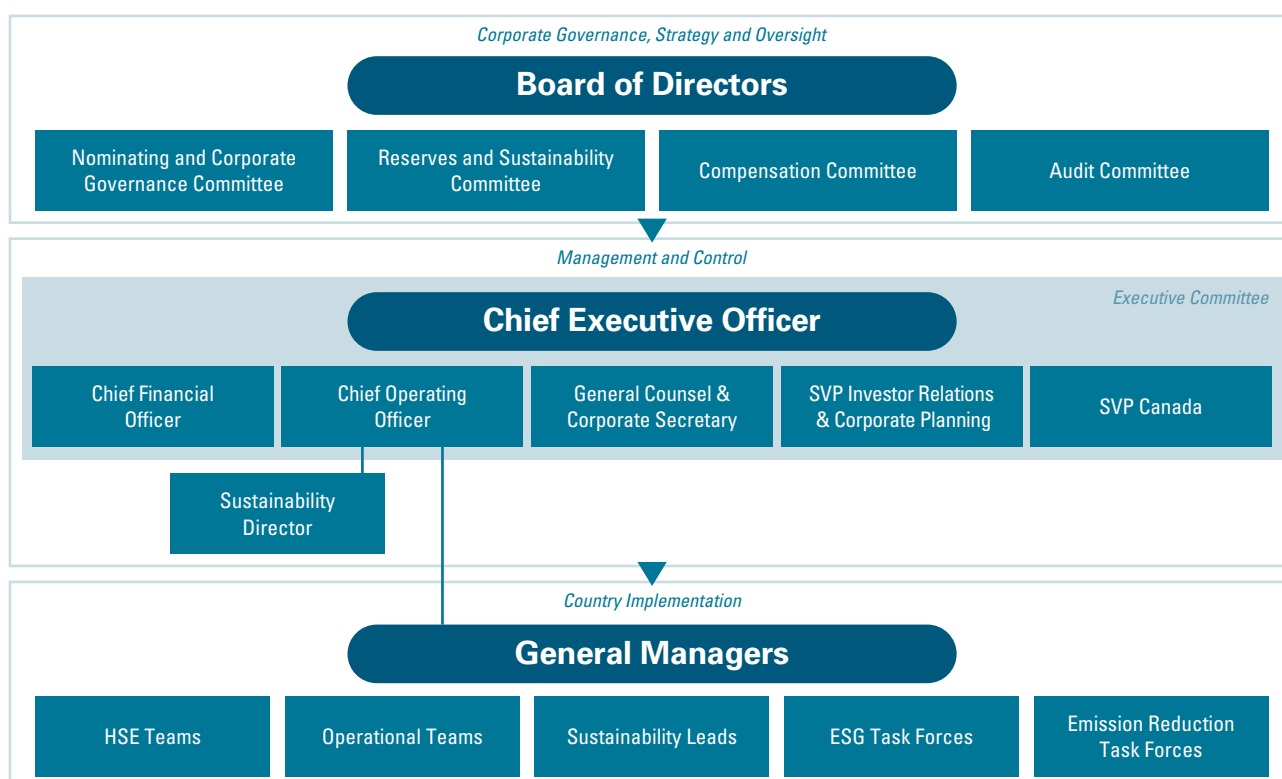
The Board and the Committee have ultimate accountability and oversight over the Company's climate-related risks and opportunities. They are responsible for monitoring progress towards IPC's climate strategies and ensuring that the Company's climate-related risk management practices are robust and effective.

Role of Senior Management / Management Oversight and Climate Governance

At IPC, our executive leadership is committed to identifying and managing risks facing our business, including those related to climate-related factors. Climate-related issues are integrated into the organization's management structure, with oversight from the Board, the Committee, the Executive Committee, and local ESG task forces. The CEO and the Executive Committee, along with General Managers locally, are responsible for the day-to-day management of climate-related issues.

The Executive Committee is specifically tasked with reviewing, assessing, and managing all climate-related risks and opportunities. The Sustainability Director provides regular updates to management and the Board, ensuring all relevant information is communicated in a timely manner. Senior management's remuneration is tied in part to the Company's performance on ESG initiatives.

This integrated approach ensures effective processes are in place to proactively identify and manage climate-related risks, and that management is held accountable for monitoring and addressing these issues.



Environment-Related Risks and Opportunities

Climate-Related Strategy

As described in the following sections, our risks and opportunities assessment and scenarios analysis support the development and continuous improvement of our climate-related strategies. In 2026, IPC refreshed its climate-related risk assessment and scenario analysis to further align our climate-related risk framework with IFRS S2, while continuing to build on the governance, strategy, risk management, and metrics and targets structure previously reflected in our TCFD-aligned reporting.

We actively monitor and manage climate-related risks and opportunities to ensure we remain resilient across scenarios. Our climate-related strategies are informed by our 2026 climate-related risk refresh, scenario analysis, economic analysis, Double Materiality Assessment (DMA) outputs, and Enterprise Risk Management (ERM) process. As part of this refresh, climate-related risks from previous assessments were compiled, benchmarked against industry peers to assess completeness, and rescored using IPC's standard ERM methodology to reflect current circumstances.

The refresh considers both physical and transition climate-related risks and opportunities. Physical risks include acute and chronic hazards such as storms, floods, wildfires, heatwaves, water stress, drought, ecosystem shifts, and sea level rise. Transition risks include policy and regulatory changes, litigation, carbon pricing, technology-related risks, market shifts, insurance availability and cost, access to financing, and reputational factors.

Our strategy is focused on optimizing our existing assets and pursuing attractive growth opportunities that include brownfield and greenfield development, and mergers and acquisitions. In doing so, we seek to embed climate-related considerations into asset-level planning, risk management, capital allocation, and strategic decision-making, including through the integration of physical and transition risks specific to IPC's transformational Blackrod Phase 1 development in Canada into the refreshed assessment.

Climate-related factors are considered to bring material risks and opportunities for IPC, with potential impacts on our economic planning over the short to long term.

As such, climate-related strategy disclosure describes the actual and potential material impacts of climate-related risks and opportunities on our business, strategy, and financial planning, with the refreshed assessment informed by IFRS S2 climate-specific disclosure guidance.

We recognize the importance of providing transparent and clear information to our stakeholders to enable them to make informed decisions regarding our operations. Through our disclosures, we strive to promote greater understanding and awareness of the significance of sustainability in our industry and beyond.

By identifying and disclosing material climate-related risks and opportunities, we are taking proactive steps to manage and mitigate associated risks in aid of creating a sustainable and resilient business model that can effectively navigate the challenges posed by climate-related factors while creating long-term value for our stakeholders. This includes assessing how different climate scenarios may affect IPC's business and financial performance, and using those insights to support the continued evolution of our climate-related strategies.

Strategic Context: Business Model and Asset Portfolio

IPC applies its climate-related strategies across its asset portfolio and future development plans, with the aim of embedding climate-related considerations into asset-level planning, operational resilience, capital allocation, and long-term value creation. IPC has previously conducted asset-level climate-related risk assessments, through which climate-related risks were mapped to assets and business units evaluated how these risks may affect strategy and future business projections. As part of the 2026 climate-related risk refresh and scenario analysis, IPC revisited and updated these asset-level assessments and added Blackrod Phase 1-specific physical and transition risks to the assessment boundary, reflecting the importance of the project to IPC's future development plans.

The refreshed assessment provides a more asset-specific view of climate-related risks. In Canada, the analysis identified potential medium- and long-term vulnerabilities related to drought, wildfire exposure, water availability, permitting complexity, and regulatory limits on water withdrawals. In France, the analysis identified potential vulnerabilities related to supply-chain resilience, river-based logistics, coastal infrastructure exposure, methane-regulation compliance, heat stress, demand decline, and stakeholder pressure.

These findings strengthen IPC's existing approach of mapping climate-related risks to assets and assessing how they may affect strategy and future business projections. For the purposes of the 2026 scenario analysis, the assessment boundary added the Blackrod Phase 1 project and due to time horizon Malaysia is excluded.

IPC continues to integrate climate considerations into strategic and financial decision-making, including asset valuations and acquisition evaluations, carbon tax emissions forecasting, and corporate valuation processes.

Environment-Related Risks and Opportunities

Climate-Related Risks and Opportunities

At IPC, we understand the importance of comprehensively assessing both physical and transition climate-related risks to secure our long-term success and create value for our stakeholders. With this in mind, we have continued to evolve our climate-related risk and opportunity assessment, building on our previous TCFD-aligned work and updating our approach through the 2026 climate-related risk refresh in further alignment with IFRS S2 climate-specific disclosure guidance.

To achieve our goal of a detailed and nuanced understanding of these risks, we undertook comprehensive exercises aimed at identifying the most relevant climate-related risks to our business. This exercise involved engaging with core internal stakeholders, including operations-level personnel, functional leads, senior management, and our Board. For the 2026 refresh, climate-related risks from previous exercises were compiled, benchmarked against industry peers to assess completeness, and rescored to reflect current circumstances using IPC's standard Enterprise Risk Management methodology.

Through this process, we have developed a detailed list of climate-related risks that are mapped to our principal assets, enabling us to manage and mitigate climate-related risks effectively and create long-term value for our stakeholders. Our assessments have considered risks at both local and global levels, and each unit has evaluated how climate-related risks may impact their strategy and future business projections. In 2026, we revisited and updated these asset-level assessments by adding Blackrod Phase 1-specific physical and transition risks to the assessment boundary.

We further identified the physical and transition risks associated with climate which are deemed material to IPC. The refreshed transition risk assessment includes carbon pricing, award and renewal of licences and emerging regulation, climate-related litigation, stigmatization of oil and gas, adaptation planning, stranded assets, lending and cost of capital, insurance, long-term demand erosion and substitution risk, uncertainty in climate policy and regulatory evolution, and reliance on unproven or uneconomic technologies.

The refreshed physical risk assessment also provides greater geographic specificity. For Canada, the assessment includes chronic shifts in temperature, precipitation, drought and water stress; acute storms, floods, heatwaves and precipitation; wildfires; climate-related value-chain disruptions; and increased severity in drought conditions. For France, the assessment includes chronic shifts in temperature, precipitation, drought and water stress; acute storms, floods and precipitation; wildfires; climate-related value-chain disruptions; and heatwaves.

IPC also evaluates climate-related opportunities alongside risks. Our existing opportunity categories of resource efficiency, energy source, markets and resilience continue to guide our approach. These include opportunities related to switching energy sources, operational efficiency, participation in carbon markets and low-carbon assets. In the 2026 refresh, government incentives were also identified as a new opportunity, reflecting the potential for subsidies, tax credits and other financial incentives for renewable energy projects to support financial performance.

These opportunities are strategically relevant because resource efficiency can support emissions reductions and cost savings; lower-emission technologies and energy-source diversification can contribute to a more resilient energy mix; carbon-market participation can support the monetization of selected energy and emissions-related initiatives; and resilience-focused actions can help IPC respond to evolving regulation and improve capital and production efficiency.

Our aim in sharing this information is to enhance transparency and accountability concerning our approach to managing climate-related risks. The following tables have therefore been updated to reflect the 2026 climate-related risk refresh, including new and rescored transition risks, refreshed physical risks for Canada and France, and the updated climate opportunity set.

We have assigned short-, medium- and long-term time horizons to each risk to determine when a material financial impact is likely to occur. These time horizons and our risk prioritization methodology align with our enterprise risk management program. The 2026 scenario analysis also considers risk vulnerabilities across short-, medium- and long-term horizons under different climate scenarios.

Environment-Related Risks and Opportunities

Physical risks

Risk description	Type	Geography	Risk detail	Mitigations in place
Long-term shifts in temperature, precipitation, droughts, water stress	Chronic	Canada, France	Variability in weather patterns, especially an increase in water stress can affect or disrupt operations and increase operating costs via water pricing.	We support and invest in technological advancements or infrastructure changes that reduce reliance on water or increase recycling rates.
Increased severity and frequency of extreme weather events: storms, floods, heatwaves, precipitation	Acute	Canada, France	Storms, floods, heatwaves and intensified precipitation events can cause operational disruptions, infrastructure damage and increased capital and maintenance costs. These events may also affect workforce safety and disrupt supply chain continuity.	IPC monitors weather-related risks across its asset portfolio and maintains business continuity and emergency response plans. Infrastructure is designed and maintained with resilience to extreme weather in mind, and supply chain redundancies are in place to support continued operations during disruptions.
Increased likelihood and severity of wildfires	Acute	Canada, France	Wildfires can cause operational disruptions and lead to loss of production income. Damage to infrastructure increases capital costs. Areas at high risk of wildfires face increased insurance premiums.	Our operations contain fire break/stop gap systems and are built with as much fire-resistant material as possible.
Climate-related supply chain disruptions	Indirect / acute	Canada, France	Disruption to supply chain due to climate-related events can result in operational downtime if key inputs cannot be secured. Delays can also result in reduced revenue from decreased production capacity.	We keep sufficient critical spares at all facilities (with the option to expand stores) and have the ability to continue operations with reduced inputs at a lower efficiency.
Increased severity in drought conditions	Acute	Canada	Worsening drought conditions, particularly in Canada, may reduce water availability for operations that rely on river water access or water withdrawal licenses, potentially constraining production at water-dependent assets.	IPC supports and invests in technologies and operational practices that reduce water reliance and improve recycling rates. IPC monitors regulatory developments around water withdrawal to proactively manage compliance risk.
Increased frequency of heatwaves	Acute	France	Rising frequency and intensity of heatwaves, particularly in France, may pose risks to workforce health and safety, reduce outdoor operational efficiency and increase cooling-related energy costs.	IPC maintains health and safety protocols to protect workers from heat stress, including operational adjustments during extreme heat events. Climate scenario analysis is used to identify heat-related vulnerabilities and inform adaptation planning.

Environment-Related Risks and Opportunities

Transition risks

Risk description	Category	Primary exposure / scope	Risk detail	Mitigations in place
Increasing carbon prices	Policy / regulatory	Canada , France / EU	Carbon taxes, on operational emissions are increasing, impacting IPC directly. Carbon pricing may also affect IPC indirectly through higher energy costs, construction material costs and transportation costs.	IPC is undertaking activities to manage certain operational emissions and has an organization-wide net GHG emissions intensity target. Material costs, including carbon costs, are modelled in assets, and higher future carbon-pricing projections are included in internal modelling. IPC also uses bottom-up carbon-tax emissions forecasting and valuation models to estimate future carbon-tax impacts at asset and corporate level.
Award and renewal of licenses and emerging regulation	Policy / regulatory	Asset level	Increased scrutiny of applications for licences, permits and authorizations required to develop assets and projects, including third-party contestation, could delay, limit or prevent future asset development, affect productivity of current assets and increase related costs.	IPC maintains ongoing engagement with government authorities and stakeholders.
Climate-related litigation	Policy / legal	Company-wide	Climate-related litigation can result in public exposure and reputational damage.	IPC's climate governance includes Board and Executive Committee oversight of climate-related risks and opportunities, and IPC is updating its climate risk framework and disclosures in further alignment with IFRS S2.
Stigmatization of the oil and gas industry	Market / reputation	Company-wide	Reputational concerns can impact financial performance, company valuation, talent attraction and retention and achievement of social license to operate through stakeholder concerns about climate-related issues.	IPC maintains a strong focus on stakeholder engagement and community development. IPC is also continuing to enhance climate-related disclosures, including through its 2026 IFRS S2-aligned climate-related risk refresh.
Adaptation planning	Strategy / resilience	Assets and supply chain	Inadequate climate-related adaptation planning may result in increased infrastructure damage and related costs. Lack of adaptation planning may also disrupt the supply chain.	IPC's 2026 climate-related risk update, including physical risk scenario analysis conducted across assets in Canada and France, provides a structured basis for identifying climate-related adaptation priorities. Results inform capital planning and asset-level resilience measures, with findings integrated into IPC's enterprise risk management process and disclosure informed by IFRS S2.
Stranded assets	Market / strategy	Asset portfolio	Assets could become stranded due to changes in climate regulation, lack of investment or extreme weather events causing irreparable damage.	IPC regularly reviews its business model and strategic alternatives, and retains discretion over capital allocation and timing of capital expenditures across operated assets. The scenario analysis and economic analysis support resilience assessment under different climate scenarios.
Lending and cost of capital	Market / financing	Company-wide	Stakeholder concerns about climate-related performance across the oil and gas sector may influence access to external capital and the terms of project financing.	IPC allocates time and resources to enhance ESG performance and disclosure, with the aim of continuous improvement in reporting and transparency. IPC's climate-related strategies are also informed by the 2026 climate-related risk refresh, scenario analysis, economic analysis, DMA outputs and ERM process.
Insurance	Market / financing	Assets	Operations in areas at high risk of increased severity or frequency of extreme weather, such as wildfires, may face increased insurance premiums or difficulty obtaining insurance.	IPC's operations incorporate firebreak systems and fire-resistant materials to reduce wildfire exposure. Environmental risk exposure is monitored on an ongoing basis to inform adaptation measures as needed.

Environment-Related Risks and Opportunities

Long-term demand erosion and substitution risk	Market	Asset portfolio	Structural decline in long-term demand for oil and gas may occur as lower-emissions alternatives become viable. Customer substitution may be driven by climate policy, regulation and shifting consumer preferences beyond reputational impacts, affecting volumes, margins and asset economics over the long term.	IPC reviews its business model in light of climate scenarios and remains ready to adapt its business model to changing regulations, technology, policies and market forces.
Uncertainty in climate-related policy and regulatory evolution	Policy / regulatory	Company-wide	Shifts in climate-related policy and regulatory frameworks may create uncertainty around carbon costs, compliance obligations and project approvals, influencing IPC's long-term investment planning.	IPC monitors regulatory changes and announcements to support compliance and incorporate changes in carbon taxes. IPC's carbon-tax modelling supports future tax planning and integration into financial projections.
Reliance on unproven and uneconomic technologies	Technology	Assets	Uncertainty over performance, scalability and cost of emissions-related technologies may create higher capital and operating costs if technologies do not deliver expected results. Timing risk may arise where technology progress lags regulatory and market expectations, affecting compliance, competitiveness and asset economics.	IPC's emissions-management strategy includes operational strategies, small-scale projects, large-scale projects and offsets / credits. Large-scale projects include planning and development of carbon capture systems, while small-scale projects are integrated into standard project execution workflows and Management of Change processes.

Climate-related opportunities

Type	Climate-related opportunity	Response
Resource Efficiency	Operational efficiency improvements can contribute to emissions reductions and offer financial benefits. Existing opportunity activities include reducing water usage and consumption and energy audits to reduce consumption and GHG emissions, lowering costs and increasing efficiencies.	IPC's active engagement in the Canadian carbon market creates avenues for monetizing offset credits generated through energy efficiency initiatives. By investing in and developing offset projects, IPC anticipates increased value of these credits in parallel with rising carbon prices.
Switch energy source	Investment in clean energy and adoption of renewable energy sources can contribute to management of climate-related factors.	IPC is implementing initiatives to enable electrification and strategic investments in low-carbon businesses. Our decision-gate framework integrates source energy and emissions evaluation into investment decisions and R&D activities. In Canada, IPC is reducing trucking activities and transitioning to pipeline transportation where possible. Fuel switching options, including biofuels and hydrogen, are being evaluated for trucking operations; and IPC is expanding microturbine electricity generation.
Participation in carbon markets	IPC's inclusion in the Canadian carbon market makes selected energy and emission-related initiatives cost beneficial and creates opportunities to sell offset credits generated through IPC initiatives. As IPC continues to invest in and develop offset projects, the benefit may grow through increasing carbon prices.	In line with our sustainability objectives, IPC entered into a Power Purchase Agreement (PPA) which provides for the sale of excess energy back to the Alberta electricity grid, fostering the growth of renewable energy within the region.
Resilience	Quickly able to respond to evolving regulations and improving both capital and production efficiencies support capitalizing on opportunities.	IPC allocates time and resources to enhance our ESG performance and disclosure and strives for continuous improvement in reporting and transparency.
Government incentives	Review of and participation in governments-sponsored subsidies, tax breaks and other financial incentives.	IPC will continue to monitor relevant government incentive programs that could support renewable energy, lower-emission technologies, energy-efficiency initiatives, carbon-market participation or low-carbon investments, where such opportunities are aligned with asset-level planning and capital allocation priorities.

Environment-Related Risks and Opportunities

Scenario Analysis and Strategic Resilience

IPC conducts regular reviews and analysis of our business model to assess its resilience over time. We seek to understand the key risks to our business, as well as the actions and opportunities available to mitigate or respond to those risks. This work is undertaken through a collaborative process involving our Economics, Sustainability, Operations Finance and Legal teams, with oversight from senior management and ultimately the Board. We regularly analyse sensitivities to our business outlook across a range of variables, including current and forecast oil and gas prices, Canadian oil price differentials, carbon tax levels, and proposed capital and operating expenditures.

As part of the 2026 climate-related risk update, IPC used scenario analysis as a strategic input to evaluate how physical and transition risk pathways could affect the asset portfolio across three time horizons: short term, defined as present to 2030; medium term, defined as 2030 to 2050; and long term, defined as 2050 and beyond. The analysis was designed to assess vulnerability under a range of plausible future conditions rather than to predict outcomes, and to support strategic planning, risk management and future ERM processes.

The scenarios reflect an inverse relationship between transition risk and physical risk. Scenarios with lower transition risk may result in higher physical risk, while scenarios with higher transition risk may result in lower physical risk. The scenario analysis was informed by reference data from the International Energy Agency (IEA), the Intergovernmental Panel on Climate Change (IPCC). IPC used the following three scenarios in our analysis:

- Net Zero Emissions scenario: transition risk is highest and physical risk is lowest. Global emissions are limited to 1.5 degrees Celsius by 2050, through a combination of globally adopted net-zero aligned commitments and changes in investment behaviours and technology developments. This scenario is informed by the IEA's Net Zero Emissions (NZE) scenario and Representative Concentration Pathways (RCPs) 2.6.
- Moderate Emissions scenario: both transition and physical risks are moderate, with countries acting on stated climate pledges, but not enough to limit warming to two degrees Celsius by the end of the century. This scenario was informed by the IEA Stated Policies Scenario (STEPS) and RCP 4.5.
- In the High Emissions scenario: physical risk is highest and transition risk is lowest, with little additional progress made in curbing global carbon emissions and global average temperature increase exceeding four degrees Celsius by the end of the century. This scenario was informed by the IEA Current Policies Scenario (CPS) and RCP 8.5.

These scenario pathways were used to consider how climate-related physical and transition risks may affect IPC's asset portfolio, business planning and financial performance across the short, medium and long term.

The economic analysis supporting the transition risk assessment used the 2025 IEA World Energy Outlook and supporting tables, including carbon prices, oil and gas prices. IPC assessed carbon pricing, combined hydrocarbon and carbon pricing, and reserves sensitivity to carbon pricing under the selected scenarios.

Carbon price assumptions

USD/tCO₂

Scenario	Region / market	2035	2040	2050
Current Policies Scenario (CPS)	Canada	70	70	70
Current Policies Scenario (CPS)	European Union / France - EU ETS	87	87	87
Stated Policies Scenario (STEPS)	Canada	126	126	126
Stated Policies Scenario (STEPS)	European Union / France - EU ETS	89	92	174
Net Zero Emissions 2050 (NZE)	Advanced economies	180	205	250

Source: 2025 IEA World Energy Outlook, 2024 real terms

Environment-Related Risks and Opportunities

Hydrocarbon price assumptions

IEA crude oil price, USD/barrel

Scenario	2024	2035	2050
Current Policies Scenario (CPS)	79	89	106
Stated Policies Scenario (STEPS)	79	80	76
Net Zero Emissions 2050 (NZE)	79	33	25

Source: 2025 IEA World Energy Outlook, 2024 real terms

The scenario analysis identified both resilience factors and vulnerabilities. Under physical risk scenarios, the Canada analysis identified potential medium- and long-term vulnerabilities related to drought and wildfire exposure, water availability, permitting complexity and regulatory limits on water withdrawals. The France analysis identified potential vulnerabilities related to supply-chain resilience, river-based shipping logistics disruption, coastal infrastructure disruption due to sea level rise and flooding, methane-related regulation, heat stress, demand decline, and stakeholder pressure.

The economic analysis identified areas requiring continued management attention. The reserves sensitivity analysis found an immaterial 0.5% reduction in Bitumen 1P reserves volume under the NZE scenario and no impact on 2P reserves volume under either NZE or STEPS scenario, assuming hydrocarbon prices as per the pricing forecasts used by IPC's independent qualifier reserves auditor as at December 31, 2025. The carbon pricing analysis identified a moderate reduction in 2P reserves net present value (NPV) in the STEPS and NZE scenarios in the mid- and long-term, and the combined hydrocarbon and carbon pricing analysis identified significant NPV loss in the NZE scenario across all assets, especially in the mid- and long-term. No material financial impacts are presented to IPC under the CPS scenario due to its favourable assumptions regarding oil and carbon pricing. However, physical risks are heightened in this scenario. These impacts are described in more detail in the following section.

While IPC's existing business model and capital allocation flexibility remain important resilience factors, the 2026 analysis indicates that more accelerated transition pathways, including NZE-type assumptions with lower hydrocarbon prices and higher carbon prices, could create additional pressure on asset values over the medium and long term. IPC will continue to monitor these sensitivities through its regular business planning, asset valuation and risk management processes, and will assess strategic responses as appropriate to support long-term value creation.

IPC operates almost all of its assets and therefore maintains significant discretion and control in allocating resources and determining when and where to make capital expenditures. This flexibility remains a key element of IPC's strategic resilience. At the same time, the 2026 climate-related risk assessment reinforces the importance of maintaining an adaptable and forward-looking approach to strategy, including continued monitoring of commodity price assumptions, carbon pricing, regulatory developments, physical climate vulnerabilities and market signals that may affect the energy transition.

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

IPC is committed to integrating climate-related considerations into strategic and financial decision-making as we continue to deepen our understanding of climate-related risks and opportunities. This includes embedding climate-related considerations into asset-level planning, capital allocation, risk management, asset valuations, acquisition evaluations, emissions forecasting and corporate valuation processes. IPC's existing approach includes bottom-up carbon tax emissions forecasting and valuation models that support the assessment of potential future carbon tax impacts at both asset and corporate level.

Climate-related risks and opportunities may affect IPC through several strategic and financial channels, including changes in commodity prices, carbon pricing, regulatory requirements, permitting conditions, water availability, physical climate exposure, insurance availability and cost, access to capital, operating costs, asset valuations and long-term demand assumptions. Accordingly, IPC's approach to climate-related financial planning considers both transition risks and physical risks, as well as opportunities related to emissions management, operational efficiency, participation in carbon markets and broader strategic resilience.

Environment-Related Risks and Opportunities

Asset-Level Strategic Resilience

IPC applies its climate-related strategies across its asset portfolio and future development plans, with the aim of embedding climate-related considerations into asset-level planning, operational resilience, capital allocation and long-term value creation. As part of the climate-related risk assessment and scenario analysis, IPC revisited and updated its asset-level climate-related risk assessments and added Blackrod Phase 1-specific physical and transition risks to the assessment boundary. The refresh was designed to integrate Blackrod Phase 1-specific physical and transition risks, further align IPC's risk framework with IFRS S2, embed climate-related risks in asset-level planning and risk management, and strengthen disclosure readiness.

The analysis indicates relatively softer exposure to climate-related risks in the short term, including for certain transition risks, while identifying increased medium- and long-term vulnerability to physical climate-related risks in Canada and France. In particular, the scenario analysis identified potential medium- and long-term vulnerabilities related to drought, wildfire exposure, water availability, permitting complexity and regulatory limits on water withdrawals in Canada, and supply-chain resilience, river-based logistics, coastal infrastructure exposure, methane-regulation compliance, heat stress, demand decline and stakeholder pressure in France.

Canada

For Canada, the scenario analysis identified potential vulnerabilities under high-emissions and low-emissions pathways. Under high-emissions assumptions, the analysis identified increased exposure to drought and wildfires in the medium and long term. Specific vulnerabilities include longer fire seasons and more extreme fire weather affecting the Blackrod Phase 1 project's roof-material requirements, increased wildfire exposure across Canadian assets, potential reduced river-water availability for Onion Lake Thermal, and drought-related water constraints at Suffield. Under low-emissions assumptions, the analysis identified potential tightening of water licences, increased permitting complexity for new projects, and regulatory limits on water withdrawals.

These findings are being considered in the context of IPC's existing approach to asset-level planning and operational resilience. Existing mitigation measures include investing in technologies or infrastructure changes to reduce reliance on water or increase recycling rates, using fire-resistant materials and fire breaks where possible, maintaining critical spares, and engaging with government authorities on regulatory matters.

France

For France, the scenario analysis identified potential vulnerabilities related to both physical and transition pathways. Under high-emissions assumptions, the analysis identified potential river-based shipping logistics disruption and coastal infrastructure disruption from sea level rise and flooding. Under low-emissions assumptions, the analysis identified potential methane-regulation abatement costs, post-2030 demand decline, heat-stress-related work health incidents, and stakeholder pressure.

These findings support a more asset-specific approach to resilience planning in France, including consideration of logistics continuity, heat-stress management, supply-chain resilience and regulatory preparedness. Existing mitigation measures include maintaining sufficient critical spares, continuing stakeholder engagement, enhancing climate-related disclosure, and monitoring evolving regulation. Areas where management response requires further input include logistics disruption, coastal infrastructure exposure and heatwaves in France.

Strategic Financial Effects

IPC uses the outputs of its climate scenario analysis and economic analysis to inform strategic and financial planning, including asset-level planning, capital allocation, risk management, asset valuations, acquisition evaluations, emissions forecasting and corporate valuation processes. IPC's existing approach includes bottom-up carbon tax emissions forecasting and valuation models that support the assessment of potential future carbon tax impacts at both asset and corporate level.

The 2026 economic analysis reinforces that climate-related financial effects may arise through several channels, including carbon pricing, commodity price assumptions, regulatory requirements, asset-level physical risk exposure, insurance availability and cost, access to capital, operating costs and long-term demand assumptions. Accordingly, IPC does not assess climate-related financial effects solely through carbon pricing, but considers how transition and physical risk pathways may interact with broader business planning and valuation assumptions.

The analysis indicates that CPS and STEPS scenarios do not present the same level of value pressure as the NZE scenario, while NZE-type assumptions involving lower hydrocarbon prices and higher carbon prices could create additional pressure on asset values over the medium and long term. IPC will continue to monitor these sensitivities and the relative likelihood of specific scenarios playing out over time through regular business planning, asset valuation and risk management processes. IPC will assess strategic responses as appropriate to support long-term value creation.

Environment-Related Risks and Opportunities

IPC operates almost all of its assets and therefore maintains significant discretion and control in allocating resources and determining when and where to make capital expenditures. This flexibility remains a key element of IPC's strategic resilience and supports the Company's ability to respond to changing regulations, technology, policy developments, market forces and physical climate-related considerations.

Strategic Response and Adaptation Plan

IPC's strategic response to climate-related risks combines existing mitigation measures, ongoing monitoring and asset-level planning. Current mitigations include reducing reliance on water and increasing recycling where possible, using fire-resistant materials and fire breaks, maintaining critical spares, undertaking emissions management activities, modelling carbon costs in assets, using bottom-up carbon-tax emissions forecasting and valuation models, and engaging with government authorities on regulatory matters.

In Canada, IPC will continue to integrate scenario findings on drought, water availability, and wildfire exposure with potentially longer fire seasons. For Onion Lake Thermal and Suffield, the focus will be on water availability, drought-related constraints and potential regulatory limits on water withdrawals.

In France, IPC will continue to assess asset-level responses to heat stress, logistics continuity, coastal infrastructure exposure and regulatory preparedness. The scenario analysis identified potential vulnerabilities related to river-based shipping logistics, coastal infrastructure disruption from sea level rise and flooding, methane-regulation compliance, post-2030 demand decline, heat-stress-related work health incidents, and stakeholder pressure.

For newer or more specific risks identified through the latest assessment, including insurance availability and premiums, long-term demand erosion and substitution risk, policy and regulatory uncertainty, reliance on unproven or uneconomic technologies, and supply chain vulnerabilities, IPC will continue to define appropriate management responses as part of ongoing planning and risk management processes.

Overall, IPC's approach is to maintain flexibility in capital allocation, continue monitoring regulatory, market and physical climate-related developments, and use the outputs of the climate-related risk refresh and scenario analysis to support operational resilience, financial planning and long-term value creation.

Climate-Related Metrics and KPIs

The purpose of IPC's climate-related metrics and targets is to support management oversight of climate-related risks and opportunities, track progress against our climate-related strategies, and provide stakeholders with transparent information on performance over time. IPC's emissions reporting foundation includes Scope 1, Scope 2 and Scope 3 GHG emissions reporting. Scope 1 emissions are accounted for on an operated basis, covering all direct emissions to air from operated assets, while Scope 2 emissions are accounted for on an operated basis for indirect emissions from electricity consumption.

IPC maintains an emissions inventory and identifies emissions sources for each asset we operate in line with the GHG Protocol. The reporting boundaries applied reflect operational control, and IPC accounts for 100% of Scope 1 and Scope 2 emissions from operated assets. Detailed emissions data, including emissions intensity, net emissions intensity, Scope 1, Scope 2 and selected Scope 3 emissions, Scope 1 emissions by gas type and source, carbon offsets retired, carbon credits earned and emissions-reduction project data, are presented in the performance data tables at the end of this report.

Emissions Management Strategy

A key objective of IPC's climate-related strategies is to identify and implement operational emissions management, improve energy efficiency where operationally possible, and use carbon offsetting and carbon-market mechanisms to support net emissions intensity performance. IPC remains committed to advancing emissions management, including maintaining its Scope 1 net emissions intensity target, and tracking performance through annual emissions reporting.

IPC's emissions management strategy is structured around four pillars:

Operational strategies focus on identifying and analysing emissions sources within our operations, developing operating practices to manage emissions and optimize efficiency, and incorporating engineering and automation solutions to improve performance and potentially reduce energy intensity. Examples include advanced process monitoring and controls, retrofitting and upgrading older equipment.

Small-scale projects are shorter-term initiatives, typically with lower capital requirements, designed to align with operational efficiency and operating cost reduction opportunities. These initiatives are integrated into standard project execution workflows and Management of Change processes. Examples include waste heat recovery, solar-powered pumps and pneumatic system upgrades.

Environment-Related Risks and Opportunities

Large-scale projects are longer-term initiatives requiring more significant capital investment and focused on transformative technologies and infrastructure. Examples include planning and development of carbon capture systems.

Offsets and credits support IPC's approach to reducing net emissions intensity by combining internal emissions reductions with externally sourced offsets and participation in voluntary and compliance carbon markets, including engagement in the Alberta compliance carbon market and international voluntary carbon markets.

As part of its broader climate-related strategies, IPC also monitors methane emissions and regulatory developments relevant to methane reduction. IPC's approach is aligned with the direction of Canada's methane reduction framework for the oil and gas sector, supporting regulatory compliance, climate resilience and net emissions intensity improvements across operations.

Climate-related Targets and Reporting

IPC uses climate-related metrics and targets to monitor progress against its climate-related strategies, support management oversight and provide stakeholders with transparent information on performance. IPC reports Scope 1, Scope 2 and selected Scope 3 GHG emissions annually and maintains an emissions inventory for operated assets in line with the GHG Protocol. Reporting boundaries reflect operational control, and IPC accounts for 100% of emissions from operated assets.

IPC's key emissions target was to reduce Scope 1 net emissions intensity by 50% by 2025 from a 2019 baseline, and to maintain Scope 1 net emissions intensity at 20 kg CO₂e/boe through 2028. IPC reached its target Scope 1 net emissions intensity of 20 kg CO₂e/boe in 2025. Performance against these targets is tracked through annual reporting of emissions intensity, net emissions intensity, Scope 1 emissions by gas type and source, Scope 2 emissions, selected Scope 3 emissions, carbon offsets retired, carbon credits earned, and emissions-reduction project indicators.

IPC supports the quality of its emissions reporting through external verification and internal review processes. In 2025, part of IPC's total Scope 1 emissions were independently verified in accordance with applicable Canadian regulatory standards. IPC will continue to enhance its GHG accounting, reporting, forecasting and carbon tax processes as part of its broader climate-related strategies and financial planning approach. As IPC continues to further align its climate-related disclosures with IFRS S2, additional climate-related KPIs may be developed where they support decision-useful reporting on climate-related risks, opportunities and financial resilience. Specific KPI definitions, methodologies, baselines, owners and reported values will be validated with management and relevant data owners before external disclosure.

POLLUTION

Material topics: pollution of water and pollution of soil

Why it matters to IPC

IPC's operations, including extraction, processing, and transportation activities, could result in the release of substances that might affect the natural environment. Groundwater could be impacted through operational spills or leaks, particularly if connected to nearby surface water systems. Similarly, surface water quality might be influenced by such events, potentially affecting aquatic ecosystems and reducing the usability of water bodies for activities like fishing, tourism, or recreation. In terms of soil, accidental releases or leaks could alter its chemical composition, which might reduce its fertility and ability to support plant life. Changes in soil conditions could impact natural habitats and surrounding land use. These factors are key considerations in IPC's ongoing efforts to manage its environmental footprint and operate responsibly across its value chain.

Our 2025 actions

Environmental impact assessments (EIAs) are a foundational component of IPC's pollution prevention and project planning processes. As required by applicable regulations, including Alberta's Environmental Protection and Enhancement Act, and other applicable permitting frameworks, EIAs are conducted for all major developments to evaluate potential effects on land, water, and surrounding ecosystems. These assessments help inform design decisions, mitigation strategies, and operational controls from the outset, ensuring that IPC meets both regulatory and internal environmental standards.

In 2025, IPC initiated the development of a Regulatory Compliance Management System (RCMS) to strengthen environmental governance and support consistent compliance across its operations in Canada. The RCMS is intended to document and standardize IPC's environmental processes and regulatory obligations related to air emissions, water management, waste management, pollution prevention, and biodiversity protection. Once implemented, the system will provide field operations with greater visibility into environmental requirements, reporting obligations, controls, and performance expectations, helping improve regulatory compliance, operational consistency, and environmental risk management.

Environment-Related Risks and Opportunities

Following the introduction of a new waste management program across its Canadian operations in 2024, IPC focused during 2025 on embedding the program into routine operations and strengthening the quality and consistency of waste management practices. The system continues to support improved classification, tracking, and documentation of waste streams, enhancing visibility across the waste management process and helping ensure appropriate handling and disposal in accordance with applicable environmental regulations.

Throughout 2025, waste data was used to support ongoing reviews of waste handling practices and identify opportunities for operational improvement. By providing greater traceability and oversight, the program has strengthened IPC's waste management processes and supported a more informed approach to managing high-volume waste streams across the business.

At Blackrod, waste management considerations were incorporated into the Phase 1 project design to minimize potential environmental impacts. The Phase 1 central processing facility is designed to manage process waste on-site, eliminating the need for settling ponds. Process waste generated through operations is planned to be stored within a dedicated underground salt cavern, providing a contained long-term waste management solution that reduces surface disturbance and supports responsible waste handling practices throughout the life of the project.

This combination of environmental planning, strengthened compliance processes, and improved waste management practices supports IPC's commitment to pollution prevention, regulatory compliance, and responsible environmental stewardship across its operations.

How do we measure our progress?

To assess our performance and drive continuous improvement, IPC relies on a combination of quantitative metrics, incident reporting, and alignment with recognized international standards. For water pollution, we track key indicators such as freshwater withdrawal and discharge volumes across our operations, measured against production intensity and reported in line with GRI 11 and International Petroleum Industry Environmental Conservation Association guidance. Regular monitoring and site-level audits help verify compliance and identify opportunities for reduction or reuse. We take a proactive approach to pollution prevention through rigorous facility integrity programs and standard operating procedures. We also comply with local regulations requiring proper classification, safe handling, and disposal of waste. Where pollution has occurred, we assess and remediate any impacted material to the appropriate regulatory standards.

For soil protection, we evaluate risks through ongoing site inspections and integrate soil remediation planning into our asset lifecycle management. All environmentally relevant events, including spills to land or water, are logged through our HSE system, which classifies incidents by severity and enables root cause analysis. These tools allow us to monitor trends over time, evaluate the effectiveness of mitigation measures, and respond proactively, ensuring that our environmental safeguards evolve alongside our operational footprint.

Environmental spills

	2021	2022	2023	2024	2025
Number of significant releases to land¹					
Oil spills	1	1	0	1	0
Produced water spills	0	2	1	0	0
Chemical spills	0	0	0	0	0
Number of significant releases to sea¹					
Oil spills	0	0	0	0	0
Produced water spills	0	0	0	0	0
Chemical spills	0	0	0	0	0

¹ Significant releases greater than 100 bbls or 15.89m³

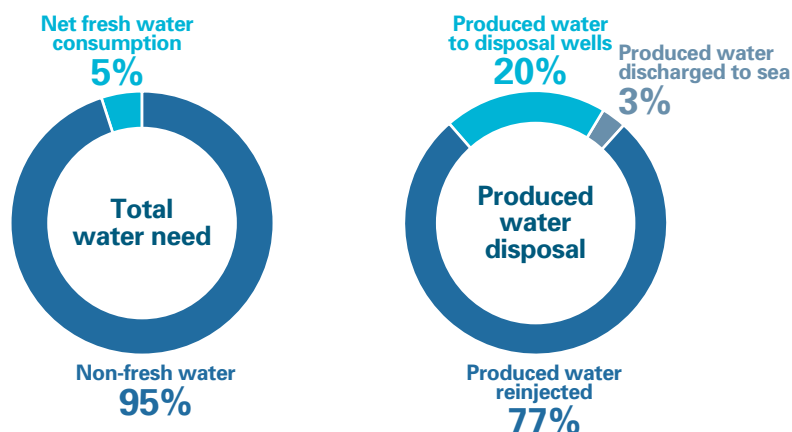
Environment-Related Risks and Opportunities

WATER

Material topics: water consumption and use and water discharged to the natural environment

Why it matters to IPC

Water access and stewardship are essential to IPC's operational continuity and environmental responsibility. While most of our assets require minimal freshwater input, certain processes, such as Steam Assisted Gravity Drainage (SAGD) at Onion Lake Thermal in Saskatchewan, depend on reliable freshwater access, primarily sourced from the North Saskatchewan River. Changes in water availability due to evolving provincial regulations, climate variability, or extreme events like droughts and floods could affect our ability to operate efficiently in the long term. These factors are continuously assessed and integrated into our operational risk management and planning.



IPC aligns its water stewardship efforts with applicable regulations, including Alberta's Directive 081 (Water Conservation, Efficiency and Productivity Plans) and Saskatchewan's Water Security Agency guidelines. These frameworks emphasize the importance of long-term water efficiency planning, source protection, and the minimization of industrial water use. IPC's water strategy reflects these principles and supports continuous improvement.

Our 2025 actions

IPC's water management efforts focus on responsible sourcing, use, protection, and discharge practices. Water was sourced in compliance with all local and provincial regulatory requirements, and operational water use was reviewed to identify opportunities for efficiency and conservation.

Produced water reinjection continued to play a central role in IPC's approach, where we maintained an average reinjection rate above 80% across the portfolio. At Onion Lake Thermal, water use remained within approved regulatory limits and continued to be supported by established water recycling practices. Offshore in Malaysia, IPC sustained compliance with marine discharge regulations, consistently maintaining oil concentrations in treated water well below required limits.

As Blackrod Phase 1 progressed toward first steam and commissioning in 2025, water management systems designed to minimize freshwater demand became an integral component of the project's development. Blackrod Phase 1 is designed to operate without the use of freshwater for steam generation, utilizing approximately 95% recycled produced water, with the remaining make-up water sourced from deep, non-potable brackish water zones located below the producing formation. This approach is intended to reduce reliance on surface and groundwater resources while supporting efficient steam-assisted recovery operations.

IPC also continued to advance site-specific water risk assessments initiated in previous years to better understand potential impacts associated with future water availability and changing climatic conditions. These assessments support long-term planning and help inform operational and development decisions across the portfolio.

How do we measure our progress?

We track our progress in water stewardship through clear, measurable indicators. To date, we have achieved zero water withdrawals from areas classified as high-water stress, supported by ongoing monitoring using internationally recognized water stress mapping tools. We also maintain a zero-discharge policy for produced water into surface water bodies on land, reflecting our commitment to protecting aquatic ecosystems. Our performance is further evidenced by the absence of any reported or identified issues related to water management across our operations. As part of our forward-looking strategy, we are implementing advanced water recycling systems at the Blackrod Phase 1 project, which will further reinforce our sustainable water use objectives.

Social-Related Risks and Opportunities

HEALTH AND SAFETY

Material topics: health and safety of workers

Why it matters to IPC

Health and safety are critical material topics for IPC, reflecting the Company's commitment to protecting the well-being of employees and contractors and ensuring safe, reliable operations. Negative actual impacts can include accidents and injuries at worksites, such as falls, burns, cuts, or crush injuries which can vary in severity. Additionally, prolonged exposure to hazardous substances can lead to chronic illnesses such as respiratory conditions or dermatological issues. These outcomes not only impact individuals but could also affect IPC's ability to maintain a safe and productive work environment.

Health and safety risks could also pose significant challenges to IPC's operational continuity and regulatory compliance. Incidents may lead to substantial disruptions, including production halts, increased costs, and schedule delays across key projects. Moreover, failure to comply with evolving health and safety regulations could expose IPC to legal and financial penalties, as well as potential restrictions on operations. Such events could further undermine the Company's reputation and strain relationships with regulatory authorities and stakeholders, ultimately impacting long-term business resilience. To address these challenges, IPC has implemented a robust management system that continuously monitors, trains, and assesses the health and safety conditions of both workers and contractors, ensuring ongoing compliance with regulations and maintaining a safe and productive work environment.

Our 2025 actions

Health and safety management system enhancements

In 2025, IPC continued to strengthen its Health and Safety Management System (HSMS) across its operating regions, with a sustained focus on proactive risk management, performance monitoring, and continuous improvement. The Company further enhanced its safety analytics framework by integrating leading and lagging indicators, improving incident trending, auditing processes, and performance reporting capabilities. The Incident Risk Assessment Tool (IRAT) was standardized across Canadian, French and Malaysian operations for incident, release, and near-miss reporting, ensuring the correct depth of investigation and identification of corrective actions, regardless of actual incident consequence level.

The Job Task Observation (JTO) program remained a key component of IPC's proactive safety approach. During 2025, more than 3,100 observations were completed across Canadian operations, helping identify potential hazards and reinforce safe work practices before incidents occurred. Focus areas included procedure adherence, line-of-fire hazards, tool and equipment use, housekeeping, and ergonomics.

Safety campaigns

IPC's 2025 safety campaign, "Personal Safety – A Shared Responsibility", emphasized individual accountability, hazard awareness, and employee engagement. Throughout the year, targeted awareness initiatives addressed key risk areas including defensive driving, fire prevention, situational awareness, mental and physical health, integrity management, and the critical role of spotters during field operations. These campaigns reinforced IPC's commitment to building a safety culture in which all employees and contractors are empowered to identify and address risks.

Across the organization, safety meetings, recognition programs, hazard reporting, safety observations, and awareness campaigns continued to promote positive safety behaviours and encourage active workforce participation.

Safe Execution of Operations and Projects

IPC maintained its focus on safe and reliable operations across its global asset portfolio. In Canada, drilling, maintenance, construction, and development activities were executed with a strong emphasis on hazard identification, work planning, and risk mitigation. Construction of Blackrod Phase 1 advanced significantly during 2025, surpassing one million work hours while maintaining a strong safety performance throughout the year. Employees and contractors across IPC's Canadian operations collectively worked more than two million hours during 2025.

In Malaysia, IPC continued to prioritize process safety and operational integrity through routine risk assessments, contractor engagement, competency development, and emergency preparedness activities supporting safe offshore operations. In France, safety management efforts focused on maintaining safe production operations, contractor oversight, regulatory compliance, and workforce engagement through established safety programs and management systems.

Hazard identification remained a critical element of IPC's preventative approach to safety. During 2025, more than 1,100 hazards were reported and assessed across Canadian operations, helping identify trends and opportunities for improvement in areas such as line-of-fire hazards, energy isolation, working at heights, housekeeping, and mobile equipment interactions.

Social-Related Risks and Opportunities

2025 focus on people and processes

Building on insights from incident analysis and safety performance trends, IPC strengthened its focus on critical people- and process-related aspects of health and safety in 2025. Key priority areas included:

- Emergency response preparedness, including annual plan reviews, table-top exercises, and response training
- Incident and near-miss reporting through enhanced investigation and root-cause analysis processes
- Situational awareness and line-of-fire hazard recognition
- Chemical and hazardous safety material safety management
- Mental health and physical health awareness and support
- Safety leadership, accountability, and positive intervention

These focus areas reflect IPC's commitment to fostering a strong safety culture supported by effective processes, continuous learning, and active employee participation.

Health and safety training

IPC continued to deliver targeted health and safety training aligned with operational risks and business priorities across its operating regions. Training initiatives included emergency response preparedness, incident investigation, risk assessment methodologies, defensive driving, emergency response exercises, and site-specific operational safety requirements. In Canada, quarterly emergency response table-top exercises and Incident Command System (ICS) training further strengthened organizational preparedness and response capability.

Contractor safety management

Contractors play an important role in IPC's operations and projects, and contractor safety remains a key focus area across the organization. In 2025, IPC continued to engage contractors through onboarding programs, safety forums, audits, field interactions, performance reviews, and the sharing of lessons learned from incidents and near misses.

At Blackrod Phase 1, regular contractor safety standdowns, safety refresh sessions, and ongoing engagement activities supported alignment on safety expectations and reinforced shared accountability among all personnel working on site. Similar contractor management practices were applied across IPC's operations in Malaysia and France to help ensure that contractor activities were conducted in accordance with IPC's safety standards and local regulatory requirements.

H&S staff engagement and culture

IPC continued to strengthen employee engagement and communication around health and safety programs during 2025. Safety committees, workforce participation initiatives, recognition programs, hazard reporting, site inspections, and job task observations contributed to reinforcing positive safety behaviours across the organization.

The Company's ongoing "Safety Starts with Me" initiative emphasized personal responsibility, care for co-workers, leadership at all levels, and continuous improvement. Through these efforts, IPC continued to promote a culture in which safety is viewed as a shared responsibility and an integral part of operational excellence.

How do we measure our progress?

We measure our health and safety performance through a combination of leading and lagging indicators, which together provide a comprehensive view of both outcomes and proactive efforts. These include training investment, preparedness, incident frequency, and the consistent tracking of safety-related behaviours and events.

Lagging indicators, such as Lost Time Incident Frequency (LTIF) and Total Recordable Incident Rate (TRIR), help benchmark our historical performance. Despite maintaining stringent H&S management practices, the Company observed an increase in incident frequency during 2025, highlighting the need to further reinforce risk awareness and operational discipline. Analysis of incidents indicated that most occurred during routine tasks rather than high-risk activities, emphasizing the importance of maintaining vigilance in day-to-day operations. A concentration of recordable incidents was observed toward the year end, with over 40% occurring in November and December, coinciding with a decline in leading indicator performance at the start of the winter period. These findings are being used to refine IPC's approach to safety analytics, with increased focus on early warning signals and proactive intervention.

In 2025, IPC maintained a consistent record of zero fatalities among employees and contractors and no high-potential near misses or Tier 1 process safety events involving loss of primary containment.

Social-Related Risks and Opportunities

Leading indicators are central to IPC's proactive approach and include safety training, emergency preparedness, and engagement activities. In 2025, we continued to promote our health and safety culture through our investment in training and awareness.

- 6,487 safety awareness sessions throughout the year
- 260 employees trained in H&S over 10,698 hours
- 197 contractors trained in H&S over 4,184 hours
- 55 emergency response exercises conducted
- Average training hours per employee: 32
- Average training hours per contractor: 22

All incidents and near-misses are subject to root cause analysis, and corrective actions are shared across the organization to promote learning and prevent recurrence. These results reflect IPC's commitment to maintaining a safe and healthy work environment, grounded in continuous improvement and aligned with our goal of reducing risk to as low as reasonably practicable (ALARP).

Health and safety	2021	2022	2023	2024	2025
Lost time incidents	1	5	2	1	2
Restricted work incidents	3	4	3	1	3
Medical treatment incidents	1	1	0	2	4
Lost time incident frequency rate	0.6	2.6	1.0	0.4	0.6
Total recordable incident frequency rate	3.2	5.2	2.4	1.5	2.8
Near misses with high potential	1	1	1	0	0
Process safety - Tier 1 loss of primary containment	0	0	0	0	0

TALENT MANAGEMENT

Material topics: talent management, workplace well-being and diversity

Why it matters to IPC

Talent management is a material topic through which IPC generates tangible value for its workforce by promoting professional development, operational excellence, and an inclusive culture. The Company's strategy integrates structured training, competitive compensation, and a commitment to diversity and inclusion to attract, retain, and empower talent.

Employees benefit from targeted training, particularly in safety, operations, and emerging technologies, that enhances technical skills and supports long-term career progression. Competitive compensation and benefits help ensure financial stability and improve quality of life. Diversity and inclusion is embedded in IPC's talent approach, fostering a respectful, equitable workplace where all employees feel valued, heard, and engaged.

Despite these strengths, IPC is not immune to global workforce shifts and evolving trends. Attracting and retaining talent, especially among younger generations, has generally become more difficult for the oil and gas sector. In addition, irregular shifts, long hours, and extended time away from home for certain field jobs can affect job attractiveness.

Our 2025 actions

Strong hiring momentum

In 2025, IPC achieved a 17% employee hiring rate, the highest recorded in the past five years. A total of 52 new hires were made, reflecting consistent growth from 33 in 2024 and 28 in 2023, with the majority of the employment growth related to the Blackrod Phase 1 project.

Social-Related Risks and Opportunities

Local hiring and inclusion

IPC continues to prioritize local hiring and economic inclusion, with 98% of employees hired locally and 100% of regional leadership positions filled by local talent across all jurisdictions. In terms of workforce composition, women accounted for 26% of IPC's total employees in 2025.

Training and development

IPC invested strongly in employee growth, delivering 11,500 hours of training and development in 2025, representing twice the training hours from prior years. This included over 1,800 hours of leadership training, aimed at building managerial capacity and strategic capabilities across the organization, with additional training dedicated to technical and role-specific training, supporting continuous improvement in safety, operations, and performance.

Compensation, benefits and workplace engagement

IPC offers competitive compensation packages and comprehensive benefits designed to attract and retain top talent. These include flexible working hours, part-time roles, and remote work arrangements where appropriate. In support of work-life balance and family well-being, IPC offers paid parental leave to both primary and non-primary caregivers, promoting an inclusive and supportive workplace culture.

Annual compensation reviews are conducted to ensure alignment with market standards and internal equity. Beyond compensation, IPC is actively defining what makes a rewarding workplace, with efforts underway to establish clear KPIs that reflect employee satisfaction, engagement, and overall workplace experience, complementing traditional metrics such as low turnover.

How do we measure our progress?

At IPC, talent management is a key enabler of business performance, operational resilience, and long-term value creation. We measure progress through a mix of workforce composition indicators, recruitment and turnover metrics, and diversity-focused benchmarks, all reviewed annually to identify areas for continuous improvement. These metrics help us attract, retain, and develop skilled individuals while supporting an inclusive and representative workplace. We have developed a consistent framework for tracking indicators such as new hire rates, turnover, gender representation, local hiring, and leadership demographics. This approach aligns with our commitments under the UN Global Compact and relevant GRI disclosures, and enables us to monitor equity, stability, and growth across our global operations.

In 2025, IPC achieved its highest new hire rate in five years at 17%, bringing 52 new employees into the organization, mainly related to the Blackrod Phase 1 project. As described above, recruitment efforts emphasized local talent, and follow a trend we have maintained over several years. Voluntary departures represented 8% and non-voluntary 2%, resulting in a 10% turnover rate.

Diversity and gender equity remain integral to our talent strategy. In 2025:

- Women represented 21% of new hires and 26% of the total employees.
- 27% of interns were women, showing progress in early-career inclusion.
- Women in management positions accounted for 26%.
- 17% of senior management (Executive Committee) and 25% of the Board of Directors were women.

We also invested in fair and respectful workplaces. In 2025, no discrimination incidents were reported across our operations.

To ensure sustainable talent development, IPC continues to focus on employee engagement, inclusive hiring, and the advancement of underrepresented groups, while offering meaningful career pathways in local communities where we operate.

COMMUNITY ENGAGEMENT AND MANAGEMENT

Material topics: community engagement and management

Why it matters to IPC

Community engagement is central to IPC's sustainable development strategy, reflecting our commitment to building relationships based on trust, respect, and shared value. By aligning our operations with the values and needs of local communities, we strive to become part of the local social and economic fabric.

Social-Related Risks and Opportunities

Recognizing that each community is unique, IPC takes an inclusive and locally informed approach to community management that promotes safe operations while supporting long-term social, economic, and environmental well-being.

This commitment is demonstrated through local hiring, Indigenous and local procurement, support for education and workforce development, investment in health and wellness initiatives, and funding for programs that strengthen community resilience. We believe that thriving communities are a measure of our success, and we are committed to generating positive impacts that extend beyond the boundaries of our operations.

Our 2025 actions

In 2025, IPC supported a broad range of initiatives across our operating regions focused on education, health and wellness, youth development, emergency services, Indigenous partnerships and community resilience.

- **Health and social support:** IPC contributed to community well-being through a multi-year commitment to the Canadian Cancer Society's Glioblastoma Research Program through the Lundin Cancer Fund, continued support for Alzheimer's research and education through Gordie Howe C.A.R.E.S., and ongoing funding for HALO Air Ambulance emergency medical services in Alberta and Saskatchewan. IPC also supported mental health, food security, and family wellness initiatives through organizations including United Way, Woods Homes, The Root Cellar Food Bank, and the Chestermere Women's Crisis Society.
- **Educational and youth development:** IPC supported scholarships, youth leadership initiatives, local school programs, and community projects that promote learning and skills development. Contributions included funding to the Society of Petroleum Engineers Canadian Educational Foundation (SPECEF) scholarship program, the Onion Lake Education Trust Fund, St. Paul 4-H Communication Day, and educational programming at Kihew Waciston Cree Immersion School. IPC also supported recreational and educational infrastructure through the École Beauséjour Playground Replacement Project in Lac La Biche County and participated in community career awareness initiatives.
- **Community development and local events:** IPC supported a range of community programs, cultural events, and local organizations that enhance community vitality and resilience. These in Canada included sponsorship of the Buffalo Rodeo, Lac La Biche Pow Wow, Wildcatters Golf Tournament in support of Providence, the Lac La Biche Emergency Services Ball and Awards Ceremony, the Brooks Festival of Trees, Movember, and local sporting and agricultural events that foster community engagement and connection.
- **Coral reef restoration:** 2025 marked the fifth year of IPC's coral reef restoration partnership with Universiti Malaysia Terengganu (UMT), focused on reef recovery near Pulau Bidong and Pulau Kapas, Malaysia. The initiative has contributed to restoring coral cover, enhancing marine biodiversity, and engaging local communities through coral planting, monitoring, and environmental education. Building on this collaboration, IPC also supported the development of the MENTARI Module, an integrative mentoring initiative designed to strengthen psychological well-being, self-resilience and career awareness among children from fisheries-based coastal communities in Kuala Nerus, Terengganu, Malaysia. The programme complements the environmental focus of the partnership by addressing broader community needs through student mentoring, parenting workshops, and education on emotional well-being and future planning. By combining environmental stewardship with community empowerment, the partnership contributes to more resilient coastal communities and supports long-term sustainable development.
- **Rig-to-Reefs project:** Building on the success of Phase 1 where the December 2023 deployment of a repurposed replica jacket leg resulted in abundant coral and marine life growth as revealed by subsequent progress survey, IPC successfully advanced the initiative into Phase 2 in October 2025. This phase involved the fabrication and deployment of six additional artificial reefs constructed from scrapped tubulars, with a comprehensive post-installation survey scheduled for Q3 2026 to monitor ecological integration.
- **Artificial lift study laboratory:** In collaboration with PETRONAS and SLB, IPC set up a learning center at Universiti Teknologi PETRONAS in Malaysia for a hands-on learning experience with actual Electrical Submersible Pump (ESP) assemblies. The lab contributes to strengthening petroleum engineering education by giving students direct exposure to industry-grade technology, supporting academic excellence and professional development.

These programs reflect IPC's commitment to working collaboratively with communities to deliver meaningful, localized impact, and to fostering long-term environmental stewardship, knowledge-sharing, and resilience in the regions where we operate.

How do we measure our progress?

IPC's Community Investment Framework is a strategic initiative designed to maximize social impact and ensure that our contributions create lasting, positive change in the communities where we operate. Developed in collaboration with the Lundin Foundation, the framework provides a structured approach to allocating resources and evaluating outcomes across our engagement efforts.

Social-Related Risks and Opportunities

The framework is anchored in three core pillars: Education and Training, Thriving Communities, and Environmental. Through these pillars, IPC supports community-driven initiatives that promote skill development, youth empowerment, Indigenous inclusion, cultural heritage, environmental restoration, and climate resilience. Each initiative is assessed for alignment with our sustainability goals and contribution to key UN Sustainable Development Goals (SDGs), particularly SDG 4 (Quality Education), SDG 8 (Decent Work and Economic Growth), and SDG 13 (Climate Action).

Progress is monitored through a combination of quantitative indicators, such as program reach, funding allocations, and partner feedback, and qualitative measures that reflect the strength of relationships, trust built over time, and the relevance of initiatives to local priorities. In community engagement, success cannot always be captured by numbers alone; often, the most meaningful outcomes are seen in the durability of partnerships, the empowerment of local actors, and the shared sense of ownership and pride in collaborative achievements.

Looking ahead, IPC will continue to adapt its approach based on community input, monitor evolving needs, and pursue opportunities that enhance mutual benefit ensuring our presence contributes to resilient, inclusive, and thriving communities for the long term.

INDIGENOUS PEOPLES' RIGHTS

Material topics: Indigenous Peoples' rights

Why it matters to IPC

Indigenous rights are a material focus for IPC, particularly in Canada, where some of our key operations are located near Indigenous communities or on Indigenous lands. Our activities have the potential to create both positive and negative impacts on these communities, affecting traditional land use, cultural heritage, and economic participation. IPC recognizes that meaningful engagement and respect for Indigenous rights are fundamental to securing long-term relationships, maintaining our social license to operate, and ensuring regulatory and community alignment.

Failure to adequately respect Indigenous rights may lead to reputational damage, project delays, or legal risk. We are committed to fostering respectful, transparent, and culturally informed relationships through open dialogue, shared benefit initiatives, and proactive consultation practices.

Our 2025 actions

IPC continued to apply the principles of Free, Prior, and Informed Consent (FPIC) in its engagement with Indigenous communities, consistent with the United Nations Declaration on the Rights of Indigenous Peoples (UNDRIP). Our approach is founded on early and ongoing engagement, relationship-building, and meaningful participation in matters that may affect Indigenous communities. Through regular dialogue and consultation, IPC seeks to better understand community priorities, integrate Indigenous perspectives into project planning and decision-making, and identify opportunities to create shared value through long-term partnerships.

Throughout 2025, IPC maintained active engagement with Indigenous communities across our operating areas in Canada, including consultation related to ongoing operations and future development activities. These engagements focused on environmental stewardship, traditional land use, cultural considerations, economic participation, and community well-being. Feedback received through these discussions continues to inform project planning, environmental assessments, mitigation measures, community investment programs, and opportunities for collaboration, helping ensure our activities are conducted in a manner that respects Indigenous rights, interests, and priorities.

We further strengthened our longstanding relationship with Onion Lake Cree Nation (OLCN) through support for a range of educational, cultural, and community initiatives. These included funding for the Onion Lake Education Trust Fund, which provides post-secondary scholarships for OLCN students, sponsorship of the Onion Lake Pow Wow, Sports Days, and support for youth development through the Onion Lake Group of Companies Charity Golf Tournament. IPC also supported educational programming at Kihew Waciston Cree Immersion School, which integrates traditional Indigenous knowledge and language into its curriculum.

IPC supported additional Indigenous-led initiatives and events across our operating regions, including sponsorship of the First Nations Treaty 6 Voyageurs Golf Fundraiser, which provides Indigenous youth with opportunities for sport, cultural exchange, and personal development, participation in the Heart Lake First Nation Golf Tournament, and support for the Aksis Indian Summer Golf Tournament, which promotes Indigenous business development and economic inclusion.

Social-Related Risks and Opportunities

IPC also continued to prioritize Indigenous economic participation and capacity building, in particular with the Blackrod Phase 1 development. Through procurement activities and strategic partnerships, IPC engaged Indigenous-affiliated businesses in the delivery of goods and services across our operations. During 2025, IPC advanced development of an Indigenous Sourcing Procedure, designed to provide a structured approach to increasing opportunities for Indigenous businesses within our supply chain and strengthening Indigenous participation in economic development generated by our activities.

To support transparency and responsiveness, IPC maintains accessible channels for Indigenous communities and stakeholders to share feedback, identify concerns, and participate in ongoing dialogue. While our objective is to address issues through proactive engagement and relationship-building, formal grievance mechanisms remain available to ensure concerns are documented, addressed, and resolved in a timely and respectful manner.

Truth and Reconciliation

In recognition of the National Day for Truth and Reconciliation in Canada, IPC continued its commitment to advancing reconciliation through learning, relationship-building, and meaningful action.

This journey began in 2022 with *Truth Telling – A First Step Toward Reconciliation*, where residential school survivors shared their lived experiences. In 2023, IPC built on that foundation through *Truth and Reconciliation – Continuing the Conversation*, focusing on understanding intergenerational trauma and identifying practical actions that support reconciliation. In 2024, employees participated in a three-day cultural awareness camp, engaging in traditional activities and learning directly about Indigenous history, culture, and perspectives.

In 2025, IPC's focus shifted from awareness to integration, embedding reconciliation into business practices and decision-making processes. Key initiatives included ongoing engagement with Indigenous partners, continued investment in community-defined priorities related to culture, infrastructure, education, and wellness, support for Indigenous youth through career awareness and educational programs, advancement of an Indigenous Sourcing Procedure, and the early development of a formal Indigenous Policy to guide company-wide commitments and accountability. These efforts reflect IPC's commitment to ensuring reconciliation is integrated into both our corporate culture and operational practices.

How do we measure our progress?

IPC measures its progress in upholding Indigenous Peoples' rights through a combination of quantitative indicators and qualitative outcomes that reflect the depth, respect, and resilience of our relationships. While key metrics such as zero incidents of Indigenous rights infringement, no legal disputes, no project delays due to community opposition, and consistent Indigenous procurement provide a strong baseline for accountability, they represent only part of the picture.

In this area, meaningful progress is often qualitative, rooted in long-term trust, cultural understanding, and collaborative action. We assess success by the strength of our partnerships, the inclusion of Indigenous perspectives in project planning, and the responsiveness of our engagement processes. Initiatives like cultural events, education programs, and infrastructure support are not just outputs, they are pathways to deeper connection and mutual respect. Feedback from community partners, participation in shared decision-making, and sustained involvement in cultural and economic development projects help us gauge whether we are delivering on our commitments.

By integrating both measurable outcomes and relationship-based insights, IPC ensures that our actions reflect our values and that we continue building respectful, enduring partnerships with Indigenous communities.

Governance-Related Risks and Opportunities

CORPORATE CULTURE

Material topics: corporate culture

Why it matters to IPC

At IPC, corporate culture is not just an internal value, it is a strategic asset. A strong, positive culture grounded in trust, integrity, transparency, and accountability is fundamental to our success and long-term sustainability. We believe that when employees feel respected, empowered, and aligned with shared values, they are more engaged, collaborative, and innovative. Corporate culture at IPC supports ethical leadership and responsible business conduct at every level. Leaders are expected to model integrity and openness, creating an environment where employees are encouraged to speak up, take initiative, and contribute meaningfully. A culture that values diversity, inclusion, and well-being contributes to better decision-making, stronger team performance, and a workplace of which people are proud to be part.

Our 2025 actions

IPC continuously reinforces its culture of integrity, inclusion, and continuous improvement through targeted initiatives and consistent leadership engagement. All employees and contractors completed the annual Code of Conduct sign-off, reaffirming our collective commitment to ethics, transparency, and responsible conduct. Operational, compliance, and safety training remained a core focus, ensuring that teams across jurisdictions were aligned with evolving standards and expectations. Informal feedback channels, leadership check-ins, and ongoing team and town hall discussions continued to shape our understanding of team dynamics and inform areas for improvement. In addition, leadership development initiatives across Canada, Malaysia, France, and Switzerland helped strengthen communication, promote alignment, and reinforce shared accountability throughout the organization.

Recognizing the importance of employee connection and engagement, employees in Calgary established a Social Committee focused on fostering team building, strengthening workplace culture, and creating opportunities for employees to connect outside of their day-to-day responsibilities. Through a variety of social and volunteer activities, the committee helps build stronger relationships across teams, enhances employee engagement, and contributes to a positive and inclusive workplace environment.

How do we measure our progress?

We assess our progress through a combination of behavioural indicators, compliance metrics, and employee feedback. While many aspects of corporate culture are qualitative and reflected in team engagement, initiative, and mutual trust, we also track clear performance benchmarks. Since Company inception, IPC has recorded zero incidents of corruption, zero cases of bribery, zero legal actions related to anticompetitive behaviour, and zero significant fines or non-monetary sanctions.

Past performance also offers valuable insight: our last Employee Engagement Survey achieved an 86% response rate, surpassing the 75% engagement score target, and leadership training has strengthened internal communication and alignment. Regular feedback from town halls, leadership interactions, team discussions and employee-led initiatives such as the Calgary Social Committee provides valuable insights into employee experience and helps inform future improvements. By monitoring both measurable outcomes and employee sentiment, IPC seeks to foster a workplace where employees feel empowered, connected, and aligned with our values.

SUPPLY CHAIN MANAGEMENT

Material topics: management of relations with suppliers and working conditions in the value chain

Why it matters to IPC

IPC's approach to managing relations with suppliers has had a positive impact on both the value chain and surrounding communities. By engaging local suppliers, IPC fosters economic development, creating jobs, stimulating local economies, and contributing to infrastructure growth. This not only strengthens relationships with suppliers but also supports the long-term prosperity of the communities where the company operates.

While IPC is committed to maintaining high standards, potential negative impacts related to working conditions in the value chain should be addressed. Disparities in working conditions, such as limited training and job security, could affect workers throughout the supply chain. Health and safety risks also arise when suppliers' workers are not covered by the same safety protocols as IPC employees. Workers unfamiliar with IPC's safety practices, less trained or less committed to them may be more vulnerable. Economic pressures, such as fluctuations in oil prices or company closures, can lead to sudden job losses and heightened insecurity.

A key risk in this area is the potential for strikes or disruptions in the supply chain, which can disrupt production or sales.

Governance-Related Risks and Opportunities

Our 2025 actions and progress

In 2025, IPC undertook several initiatives aimed at enhancing procurement governance and improving supply chain practices. These efforts reflect our ongoing commitment to responsible sourcing and operational integrity:

- **Procurement governance enhancements:** During 2025, IPC continued toward implementation and integration of its Canada Procurement Policy strengthening consistency, accountability, and transparency in procurement activities. The policy aligns with key governance frameworks including the Supplier Code of Conduct and the Indigenous Sourcing Procedure which is in development. To support more consistent and transparent decision-making, IPC also reinforced Level of Authority (LOA) requirements and approval processes to support appropriate oversight and decision-making. In addition, supplier relationship management principles were incorporated into selected Blackrod service agreements for mechanical, electrical and instrumentation (E&I), and scaffold and insulation services, supporting enhanced contractor engagement, performance oversight, and accountability.
- **IPC Canada procurement program:** IPC continued implementation of its Canada-wide Procurement Program, establishing a more standardized and coordinated approach to sourcing goods and services. The program integrates procurement governance requirements and references key corporate frameworks, including the Code of Ethics and Business Conduct, Supplier Code of Conduct, HSE Management System, Indigenous procurement objectives, and applicable regulatory requirements. Throughout 2025, procurement processes were further aligned with these standards to strengthen supplier accountability, improve consistency, and support responsible sourcing practices.
- **Reporting on Canada's Modern Slavery Act:** IPC publishes an annual report under Canada's law against Forced Labour and Child Labour in Supply Chains (Modern Slavery Act). This report details the Company's efforts to identify and mitigate the risks of forced and child labour across its operations and supply chains. It reflects IPC's commitment to transparency and continuous improvement in ethical sourcing. The report is publicly available on IPC's website.
- **Contractor engagement and Modern Slavery Act compliance:** IPC continues to communicate its expectations to suppliers through established onboarding processes, routine contract management, and the application of its Supplier Code of Conduct. Across its operating jurisdictions, IPC engages with suppliers to reinforce standards relating to ethical conduct, compliance with applicable laws, and respect for human rights. These activities support IPC's broader commitment to maintaining responsible supply chains and identifying and mitigating modern slavery risks as part of regular business practices.

During the year, IPC conducted several third-party audits and site visits to enhance visibility over supplier operations and reinforce expectations regarding ethical and responsible business practices.

In Canada, IPC also strengthened its supplier engagement through a contractor survey conducted in 2025 to assess alignment with the requirements of the Modern Slavery Act. The survey achieved a 99.2% response rate among 640 contractors. Results indicate that 47% of respondents have formal human rights policies, 40% provide human rights training, and 38% maintain specific policies on forced labour, with 25% reporting all three controls in place. These insights will inform IPC's ongoing efforts to raise awareness, strengthen expectations, and prioritise engagement to further prevent and mitigate modern slavery risks within its supply chain.

Sustainability Data¹

ENVIRONMENT ²	2023	2024	2025
Unplanned releases to sea or land³			
Oil spills			
Number	0	1	0
Volume from spills (m ³)	0	22	0
Produced water spills			
Number	1	0	0
Volume from spills (m ³)	2,600	0	0
Chemical spills			
Number	0	0	0
Volume from spills (m ³)	0	0	0
Water			
Water withdrawal			
Surface water			
Municipal water	14,855	35,164	15,931
Fresh surface water (m ³)	2,894,771	2,883,707	2,957,020
Saline surface water (m ³)	16,167,106	16,351,056	16,530,385
Ground water			
Fresh ground water (m ³)	74,344	79,834	64,839
Saline ground water (m ³)	1,173,366	1,431,363	1,354,937
Total water withdrawal (m ³)	20,324,442	20,781,124	20,923,112
Water intensity (m ³ /boe)	1.08	1.19	1.38
Withdrawal from areas with high water stress (m ³) ⁴	0	0	0
Volume of water recycling (m ³)	745,350	771,541	758,586
Volume of produced water (m ³)	39,460,048	39,123,902	44,396,807
Fresh water consumption			
Fresh water withdrawal Incl surface water, groundwater and third party sources (excluding saltwater)	2,969,115	2,963,541	3,037,790
Water discharge (excluding saltwater)	-	-	55,203
Total net fresh water consumption	-	-	2,982,587
Disposal of produced water			
Produced water reinjected into the reservoir (m ³)	32,202,341	31,973,816	34,520,058
Produced water injected into disposal wells (m ³)	7,697,187	8,502,523	8,902,370
Produced water discharged to sea (m ³) ⁵	1,225,574	1,318,978	1,137,841
Produced water discharged to surface water (m ³)	0	0	0
Waste			
Drilling waste			
Drill cuttings (t)	897	13,859	7,577
Sent to approved landfills (t)	0	13,859	7,577
Drill cuttings encapsulated at the well site (t)	0	0	0
Drill cuttings sent to other type of disposal (t)	897	0	0
Oil-based drilling fluid (t)	30	0	0
Sent to off-site processing (t)	30	0	0
Water-based drilling fluid (t)	4,209	8,881	4,195
Other waste generated during drilling (t)	239	585	513
Sent to off-site processing (t)	37	0	1
Landfill (t)	-	585	512
Hazardous waste generated (t)⁶	9,022	18,817	21,375
Hazardous waste recycled / reused	73	116	416
Hazardous waste disposed:	8,949	18,700	20,959
Hazardous Waste landfilled	8,841	16,672	19,957
Hazardous Waste incinerated with energy recovery	106	5	66
Hazardous Waste incinerated without energy recovery	0	156	77
Hazardous Waste sent to other type of disposal	1.8	1,868.2	859
Hazardous Waste with unknown disposal method	0	0	0
Non-hazardous waste generated (t)⁶	4,404	13,833	20,130
Total Non-hazardous waste recycled / reused	931	431	781
Total Non-hazardous waste disposed:	3,474	13,402	19,349
Waste landfilled	3,474	6,824	6,551

Sustainability Data

ENVIRONMENT	2023	2024	2025
Non-Hazardous Waste incinerated with energy recovery	0	0	0
Non-Hazardous Waste incinerated without energy recovery	0	0	0
Non-Hazardous Waste sent to other type of disposal	0	6,579	12,798
Non-Hazardous Waste with unknown disposal method	0	0	0
GHG emissions⁷			
Emission intensity (kg CO ₂ e/boe) ⁸	46.11	44.93	47.89
Net emission intensity (kg CO ₂ e/boe)	24	23	20
Scope 1 GHG emissions (t CO ₂ e) ⁹	865,305	784,812	811,842
Scope 1 emissions by type of gas			
Carbon dioxide emissions (CO ₂)	724,793	685,403	695,640
Methane emissions (CH ₄)	2,700	3,513	3,785
Nitrous oxide emissions (N ₂ O)	39	36	26
Scope 1 emissions by main emission sources			
Combustion (t CO ₂ e)	719,510	689,632	704,873
Flaring, venting and fugitive (t CO ₂ e)	143,705	92,468	104,273
Process (t CO ₂ e)	983	1,317	1,631
Transportation (t CO ₂ e)	1,108	1,396	1,064
Scope 1 emissions by country of operations			
Canada	815,753	736,920	767,410
Malaysia	30,995	33,005	28,148
France	18,558	14,887	16,283
Scope 2 GHG emissions (t CO ₂ e) ¹⁰	122,524	179,676	227,219
Scope 3 GHG emissions			
Business travel by air (t CO ₂ e) ¹¹	84	211	307
Offshore travel and logistics (t CO ₂ e)	4,653	4,797	6,625
Sales trucking (t CO ₂ e)	5,284	4,185	4,632
Drilling activities (t CO ₂ e)	8,913	12,746	14,176
GHG emissions reduction projects			
Forecasted annual emissions reduction tonnes (CO ₂ e)	8,493	4,007	-
Total project cost (USD)	2,263,783	788,936	-
Anticipated annual cost savings (USD)	1,090,136	120,000	-
Non-GHG emissions			
Direct sulfur oxides (t SOx) emissions	109	131	131
Direct nitrogen oxides (t NOx) emissions	2,194	2,180	1,299
Direct volatile organic compounds (t VOCs)	709	524	709
Energy			
Energy consumption (KWh) ¹²	242,844,195	318,477,094	315,202,447
Renewable sources (%)	14.9	24.3	23.98
Energy intensity (MWh/boe) ¹³	0.013	0.018	0.019
Carbon offset			
Voluntary carbon offsets retired (t CO ₂ e) ¹⁴	385,000	350,000	445,000
Carbon credits earned (t CO ₂ e)	22,300	33,366	9,815
Biodiversity			
IUCN Red List species with habitats in operating areas ¹⁵			
Critically endangered	0	0	0
Endangered	1	3	3
Vulnerable	5	7	7
Near threatened	3	6	6
National conservation list species with habitats in operating areas ¹⁶			
Endangered	9	11	11
Threatened	18	22	22

Sustainability Data

SOCIAL ¹⁷	2023	2024	2025
Health and safety ¹⁸			
Fatalities			
Employees	0	0	0
Contractors	0	0	0
Total	0	0	0
Lost time incidents			
Employees	0	1	1
Contractors	2	0	1
Total	2	1	2
Restricted work incidents			
Employees	0	0	0
Contractors	3	1	3
Total	3	1	3
Medical treatment incidents			
Employees	0	0	0
Contractors	0	2	4
Total	0	2	4
Lost time incident frequency rate ¹⁹			
Employees	0.0	1.0	1.0
Contractors	1.3	0.0	1.0
Total	1.0	0.4	0.6
Total recordable incident frequency rate ²⁰			
Employees	0.0	1.7	1.5
Contractors	1.3	1.4	3.2
Total	1.0	1.5	2.8
Exposure hours			
Employees (hours)	505,464	583,356	662,679
Contractors (hours)	1,196,111	2,157,394	2,520,669
Total (hours)	1,701,575	2,740,750	3,183,348
Near misses with high potential ²¹	1	0	0
Process safety - Tier 1 loss of primary containment	0	0	0
Health and safety training and preparedness ²²			
Safety awareness			
Number of people who had orientations / safety inductions	8,438	9,334	5,874
Number of monthly safety meetings	175	204	154
Number of planning sessions	497	447	459
Total safety awareness sessions	9,110	9,985	6,487
HSE trainings			
Number of Employees trained	198	214	260
Number of Contractors trained	131	135	197
Total Nb of Employees + Contractors trained	329	349	457
Hours of HSE trainings			
Total hours Employees trained	4,265	4,866	10,698
Total hours Contractors trained	3,474	3,348	4,184
Total hours Employees + Contractors trained	7,739	8,214	14,882
Average training hours per Employee	16	16	32
Average training hours per Contractor	17	17	22
Emergency response exercises			
Number of emergency response exercises	52	47	55
Employment			
Employees ²³			
Canada	133	160	196
Malaysia	66	62	63
France	44	47	45
Switzerland	28	28	27
Total	271	297	331
Contractors	201	195	182
Total workforce (employees + contractors)	472	492	513
Total management workforce (managers + head of departments)	-	-	82
Interns full year 2025	11	15	15

Sustainability Data

SOCIAL	2023	2024	2025
New hires			
New hire rates (%)			
Employees	10%	12%	17%
Contractors	14%	6%	5%
Total nb of employee hires	28	33	52
Women hires rate	32%	24%	21%
Men hires rate	68%	76%	79%
New employee hires by age groups (%)			
< 30 years	4%	21%	38%
30-50 years	46%	52%	56%
> 50 years	50%	27%	6%
Total nb of new employee hires in part time	2	-	-
Total nb of new employee hires in full time	26	33	52
Total hiring cost in USD	12,739	52,314	26,361
Average cost to hire per FTE in USD	465	1,585	507
Total of open positions filled by internal candidates	3	0	12
Nb of promotions to managerial positions	0	0	2
Women promoted rate ²⁴	100%	0%	50%
Total nb of Contractor hires	26	11	10
Women hires rate	0%	0%	10%
Men hires rate	100%	100%	90%
Departures and turn over			
Total Nb of Employee departure	26	15	31
Women rate	27%	27%	45%
Men rate	73%	73%	55%
Age groups (%)			
< 30 years	0%	0%	6%
30-50 years	69%	60%	48%
> 50 years	31%	40%	45%
Total Nb of departure for retirement	4	1	2
Total Nb of voluntary departure (incl retirement)	15	13	25
Women rate	33%	31%	48%
Men rate	67%	69%	52%
Total Nb of non-voluntary departure	9	2	6
Total employee turnover rate (as a % of total employees)	10%	5%	10%
Voluntary turnover rate (incl retirement) (as a % of total employees)	6%	5%	8%
Non-voluntary turnover rate (as a % of total employees)	3%	1%	2%
Total contractor turnover rate expressed as a % of total contractors	5%	5%	4%
Market presence²⁵			
Regional leadership teams hired locally (%) ²⁶	100%	100%	100%
Employees hired locally (%)	97%	98%	98%
Work location			
Employees			
Office (%)	62%	58%	53%
Field / site (%)	38%	42%	47%
Contractors			
Office (%)	12%	12%	11%
Field / site (%)	88%	88%	89%
Parental leave			
Employees entitled to parental leave (%)	100%	100%	100%
Employees that took parental leave	1	5	3
Total number of employees due to return to work after parental leave ended	0	4	1
Total number of employees that returned to work after parental leave ended	0	4	2
Total number of employees retained 12 months after returning from parental leave	1	4	2

Sustainability Data

SOCIAL	2023	2024	2025
Diversity			
Women in total employees (%)	30%	29%	26%
Women in total contractors (%)	3%	3%	3%
Women in total interns (%)	27%	33%	27%
Women in all management positions (%) ²⁷	29%	28%	26%
Women as heads of department management and regional leadership positions (%)	39%	33%	26%
Women in junior and middle management positions (%)	28%	27%	26%
Women in STEM-related positions (%)	21%	22%	16%
Women in senior management (Executive Committee) (%)	17%	17%	17%
Women in the Board of Directors (%)	25%	25%	25%
Employees by age groups (%)			
< 30 years	2%	5%	8%
30-50 years	65%	62%	60%
> 50 years	33%	33%	32%
Senior management (Executive Committee) age groups (%)			
< 30 years	0%	0%	0%
30-50 years	50%	67%	67%
> 50 years	50%	33%	33%
Board of Directors by age groups (%)			
> 50 years	75%	75%	75%
Training and development			
HSE training (total hours)			
Women	141	396	606
Men	2,870	3,535	7,255
Leadership Training (total hours)			
Women	64	68	368
Men	210	996	1,513
Other Training (total hours)			
Women	1,594	285	626
Men	300	569	1,217
Total hours of training & development	5,180	5,848	11,585
Women	1,799	749	1,600
Men	3,381	5,099	9,985
Average hours per FTE of training and development			
Women	22	9	19
Men	18	24	41
Total amount spent on training (USD)	279,996	181,474	267,306
Average amount spent on training per total FTE (USD)	1,041	616	815
FTEs Women	81	86	83
FTEs Men	188	209	245

Sustainability Data

GOVERNANCE ²⁸	2023	2024	2025
Human rights			
Incidents of discrimination			
Number of incidents	0	0	0
Number of incidents reviewed and remediation plans implemented	0	0	0
Incidents of indigenous rights infringement			
Number of incidents	0	0	0
Number of incidents reviewed and remediation plans implemented	0	0	0
Anti-corruption			
Number of substantiated corruption and bribery cases ongoing	0	0	0
Confirmed incidents of corruption	0	0	0
Codes of Conduct			
Number of reported breaches to our codes of conduct ²⁹	0	0	0
IT Security / Cybersecurity Governance			
Number of reported breaches on Information Security	0	0	0
Whistleblowing			
Critical concerns			
Number of incidents	2	0	1
Number of incidents investigated	2	0	1
Compliance			
Disputes associated with operations	0	0	0
Legal actions for anti-competitive behavior, antitrust, and monopoly practices	0	0	0
Significant fines ³⁰			
Number	0	0	0
Value (USD)	0	0	0
Environmental fines			
Number	0	0	0
Value (USD)	0	0	0
Non-monetary sanctions			
Number	0	0	0
Environmental non-monetary sanctions			
Number	0	0	0
Local procurement ³¹			
Total Procurement (USD)	862,827,443	900,601,840	762,135,165
Local procurement (USD)	831,685,664	841,478,294	729,354,045
Indigenous community procurement (USD)	10,191,850	10,638,696	35,669,494
Local procurement spend (%)	96%	93%	96%
Indigenous community procurement spend (%)	1%	1%	5%
Contributions and partnerships			
Total Contributions to sustainability initiatives (USD)	403,000	363,471	290,369
Community Investment	244,275	214,809	110,766
Donations	66,575	117,353	87,302
Sponsorships	92,151	31,309	92,301
Political contributions, Lobbying (USD)	0	0	0
Total Contributions to Trade Associations (USD)	184,903	207,502	187,387
Number of Memberships in Trade Associations ³²	10	10	10
Largest Contributions to Trade Associations (USD)			
Explorers and Producers Association of Canada	63,251	64,389	58,755
Alberta Boilers Safety Association	46,734	51,653	49,793
Union Française des Industries Pétrolières	33,524	35,537	31,175
Payments to governments ³³			
Total payments to governments (USD)	155,261,020	141,554,630	107,341,510

In TUSD	Taxes	Royalties	Fees	Bonuses	Production entitlements	Total
Canada	11,663,690	64,865,830	10,711,990	0	0	87,241,510
France	5,870,000	2,860,000	0	0	0	8,730,000
Malaysia	360,000	210,000	0	0	10,800,000	11,370,000
	17,893,690	67,935,830	10,711,990	0	10,800,000	107,341,510

Sustainability Data

- ¹ Dashes in the data tables indicate that new or more detailed figures are presented in the report. The same data has not been disclosed in previous years.
- ² The Environment data boundary includes Canada, France and Malaysia. Data is represented as 100% ownership interest regardless of actual share owned by IPC with acquisitions and divestitures reflected using the effective date of the transaction.
- ³ Significant spills greater than 100 barrels or 15.89 m³.
- ⁴ Based on Aqueduct 4.0 Water Risk Atlas (www.wri.org).
- ⁵ Discharged produced water with a ppm content of 17 ppm, below the 40 ppm regulatory limit.
- ⁶ The increases in hazardous and non-hazardous waste are attributed to the plant turnaround and the implementation of a new waste manifest and classification system.
- ⁷ GHG emissions from our operations are classified as Scope 1, Scope 2 and Scope 3. Scope 1 emissions are direct emissions from owned or controlled assets. Scope 2 emissions are indirect emissions from the generation of purchased electricity. Scope 3 includes emissions from sources owned or operated by a third party.
- ⁸ Emission intensity includes scope 1 CO₂e emissions.
- ⁹ Scope 1 is accounted for on an operated basis and it includes all direct emissions to air from operated assets. In accordance with revised regulatory requirements, Q1 2025 Scope 1 emissions and production data for IPC's Alberta TIER assets were independently verified. Full-year 2025 emissions values presented in this report have not been subject to independent verification.
- ¹⁰ Scope 2 is accounted for on an operated basis; it accounts for indirect emissions from electricity consumption.
- ¹¹ Business travel emissions include Switzerland.
- ¹² Energy consumption within the organisation, and includes electricity only.
- ¹³ The ratio is calculated by dividing the absolute energy consumption by the organization-specific metric (the denominator), which is barrels of oil equivalent produced.
- ¹⁴ Carbon emissions were offset by emission reductions in the Verra and Gold Standards registries, through selected climate protection projects. First Climate has irrevocably retired the corresponding emission reduction certificates in the market.
- ¹⁵ IUCN and national conservation list species reported for Canadian assets.
- ¹⁶ National conservation list species are based on Canadian national listings, including COSEWIC and SARA.
- ¹⁷ The People data boundary includes Canada, France, Malaysia and Switzerland.
- ¹⁸ HSE data is based on assets where IPC has operational control, excluding Aquitaine Basin asset where IPC has no operational control. We account for and report on all employee and contractor incidents. No workers have been excluded from this disclosure. For the year 2025, IPC recorded zero severe injury, referring to industry classification of incidents with permanent impairment and recovery time over 180 days (see IOGP).
- ¹⁹ Lost-time injuries refer to any work-related injury that results in the company employee or third-party contractor employee not being able to return to work the next scheduled work day/shift. Lost-time injuries frequency rate (LTIFR) is the number of lost-time injuries per million hours worked, calculated using the formula: $LTIFR = (\text{Number of lost-time injuries}) / (\text{Total hours worked in accounting period}) \times 1,000,000$. Note correction in contractor LTIFR for 2023.
- ²⁰ Total injuries refer to the total number of recordable injuries (including medical treatment incidents, restricted work incidents, lost time injuries, and fatalities). Total recordable injuries frequency rate (LTIFR) is the number of lost-time injuries per million hours worked, calculated using the formula: $LTIFR = (\text{Number of lost-time injuries}) / (\text{Total hours worked in accounting period}) \times 1,000,000$.
- ²¹ Near miss with high potential incidents are incidents or near miss events which in combination of potential consequences (people, environment, asset) and likelihood are assessed to be in the red area of the risk.
- ²² HSE data is based on assets where IPC has operational control, excluding Aquitaine Basin asset where IPC has no operational control.
- ²³ We account for permanent and fixed term employees by end of year.
- ²⁴ Total of women promoted on the total of internal promotions.
- ²⁵ For the purpose of employment reporting, we define "local" as a national, permanent resident or work permit holder prior to employment with the company. The employee had the status or lived in the region prior to employment with the company.
- ²⁶ We report on local hiring of management teams in our operating regions, these include our country management teams and heads of departments. We consider all our operating regions as "significant locations of operation" and report on all these regions.
- ²⁷ Women in all management positions includes junior and middle management, head of departments, regional leadership teams and senior management.
- ²⁸ The Ethics and Governance data boundary includes Canada, France, Malaysia and Switzerland.
- ²⁹ We have no cases of breach of code of conduct to report. Disclosure of code of conduct breaches would include the type of breaches, such as privacy, bribery, discrimination, conflicts of interest, money laundering, confidentiality of information.
- ³⁰ We apply a reporting threshold of USD 10,000 starting 2023 to align with external reporting requirements. Previous years' threshold was set at USD 50,000 reflecting the size of our company and qualification of significant monetary sanction.
- ³¹ Local procurement refers to the purchase of goods and services from suppliers within the country of the company's operations.
- ³² Explorers and Producers Association of Canada (EPAC), Alberta Boilers Safety Association, Union Française des Industries Pétrolières (UFIP), Western Canadian Spill Services, Mercer (Canada) Limited, Gésip, Palliser Airshed Society, Canadian Heavy Oil Association, MEDEF, Malaysian International Chamber of Commerce and Industry.
- ³³ The report on payments to governments (ESTMA) with details of payments is available on www.international-petroleum.com

Reader Advisory

Forward-Looking Statements

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

All statements other than statements of historical fact may be forward-looking statements. Any statements that express or involve discussions with respect to predictions, expectations, beliefs, plans, projections, forecasts, guidance, budgets, objectives, assumptions or future events or performance (often, but not always, using words or phrases such as “seek”, “anticipate”, “plan”, “continue”, “estimate”, “expect”, “may”, “will”, “project”, “forecast”, “predict”, “potential”, “targeting”, “intend”, “could”, “might”, “should”, “believe”, “budget” and similar expressions) are not statements of historical fact and may be “forward-looking statements”. Forward-looking statements include, but are not limited to, statements with respect to: IPC’s estimates of future production, cash flows, operating costs and capital expenditures that are based on IPC’s current business plans and assumptions regarding the business environment, which are subject to change; IPC’s intention and ability to continue to implement our strategies to build long-term shareholder value; the ability of IPC’s portfolio of assets to provide a solid foundation for organic and inorganic growth; IPC’s ability to implement its GHG emissions intensity and climate strategies and to achieve its net GHG emissions intensity reduction targets; IPC’s ability to implement projects to reduce net GHG emissions intensity, including potential CCS; and IPC’s ability to reduce exposure to carbon pricing related costs. Statements relating to “reserves” and “contingent resources” are also deemed to be forward-looking statements, as they involve the implied assessment, based on certain estimates and assumptions, that the reserves and resources described exist in the quantities predicted or estimated and that the reserves and resources can be profitably produced in the future. Ultimate recovery of reserves or resources is based on forecasts of future results, estimates of amounts not yet determinable and assumptions of management.

The forward-looking statements are based on certain key expectations and assumptions made by IPC, including expectations and assumptions concerning: the duration and impact of tariffs that are currently in effect on goods exported from or imported into Canada, and that other than the tariffs that are currently in effect, neither the U.S. nor Canada (i) increases the rate or scope of such tariffs, reenacts tariffs that are currently suspended, or imposes new tariffs, on the import of goods from one country to the other, including on oil and natural gas, and/or (ii) imposes any other form of tax, restriction or prohibition on the import or export of products from one country to the other, including on oil and natural gas; prevailing commodity prices and currency exchange rates; applicable royalty rates and tax laws; interest rates; future well production rates and reserve and contingent resource volumes; operating costs; IPC’s ability to maintain its existing credit ratings; IPC’s ability to achieve its performance targets; the timing of receipt of regulatory approvals; the performance of existing wells; the success obtained in drilling new wells; anticipated timing and results of capital expenditures; the sufficiency of budgeted capital expenditures in carrying out planned activities; the timing, location and extent of future drilling operations; the successful completion of acquisitions and dispositions and that IPC will be able to implement its standards, controls, procedures and policies in respect of any acquisitions and realize the expected synergies on the anticipated timeline or at all; the benefits of acquisitions; the state of the economy and the exploration and production business in the jurisdictions in which IPC operates and globally; the availability and cost of financing, labour and services; IPC’s intention to complete share repurchases under the normal course issuer bid program, including the funding of such share repurchases, existing and future market conditions, including with respect to the price of IPC’s common shares, and compliance with respect to applicable limitations under securities laws and regulations and stock exchange policies; and the ability to market crude oil, natural gas and natural gas liquids successfully.

Although IPC believes that the expectations and assumptions on which such forward-looking statements are based are reasonable, undue reliance should not be placed on the forward-looking statements because IPC can give no assurances that they will prove to be correct. Since forward-looking statements address future events and conditions, by their very nature they involve inherent risks and uncertainties. Actual results could differ materially from those currently anticipated due to a number of factors and risks. These include, but are not limited to: general global economic, market and business conditions; the risks associated with the oil and gas industry in general such as operational risks in development, exploration and production; delays or changes in plans with respect to exploration or development projects or capital expenditures; the uncertainty of estimates and projections relating to reserves, resources, production, revenues, costs and expenses; health, safety and environmental risks; commodity price fluctuations; interest rate and exchange rate fluctuations; marketing and transportation; loss of markets; environmental and climate-related risks; competition; innovation and cybersecurity risks related to IPC’s systems, including costs of addressing or mitigating such risks; the ability to attract, engage and retain skilled employees; incorrect assessment of the value of acquisitions; failure to complete or realize the anticipated benefits of acquisitions or dispositions; the ability to access sufficient capital from internal and external sources; failure to obtain required regulatory and other approvals; geopolitical conflicts, including current and potential future conflicts in Ukraine, the Middle East, South America and elsewhere, and their potential impact on, among other things, global market conditions; political or economic developments, including, without limitation, the risk that (i) the tariffs that are currently in effect on goods exported from or imported into Canada continue in effect for an extended period of time, the tariffs that have been threatened are implemented, that tariffs that are currently suspended are reactivated, the rate or scope of tariffs are increased, or new tariffs are imposed, including on oil and natural gas, (ii) the U.S. and/or Canada imposes any other form of tax, restriction or prohibition on the import or export of products from one country to the other, including on oil and natural gas, and (iii) the tariffs imposed or threatened to be imposed by the U.S. on other countries and retaliatory tariffs imposed or threatened to be imposed by other countries on the U.S. will trigger a broader global trade war which could have a material adverse effect on the Canadian, U.S. and global economies, and by extension the Canadian oil and natural gas industry and the Corporation, including by decreasing demand for, and the price of oil, and natural gas, disrupting supply chains, increasing costs, causing volatility in the global financial markets, and limiting access to financing; and changes in legislation, including but not limited to tax laws, royalties, environmental and abandonment regulations. Readers are cautioned that the foregoing list of factors is not exhaustive.

Reader Advisory

The Canadian federal government amended the Competition Act (Canada) with respect to how companies communicate about environmental goals and performance. There is uncertainty regarding how this new legislation will be interpreted and applied. Statements made in this Sustainability Report in respect of activities undertaken or to be undertaken by IPC with respect to protecting or restoring the environment or mitigating environmental and ecological causes or effects of climate change, including the provision of emissions figures and forecasts, the acquisition and use of carbon offsets, activities to potentially reduce emissions, and activities to provide for environmental stewardship, including water management and biodiversity, should not be relied upon for the purposes of investing in securities of IPC or otherwise be considered as promoting IPC's products or business interests.

Additional information on these and other factors that could affect IPC, or its operations or financial results, and the disclosures contained in this Report, are included in the Company's unaudited interim condensed consolidated financial statements and management discussion and analysis (MD&A) for the three and six months ended June 30, 2026, the Company's Annual Information Form (AIF) for the year ended December 31, 2025 (See "Risk Factors", "Cautionary Statement Regarding Forward-Looking Information" and "Reserves and Resources Advisory") and other reports on file with applicable securities regulatory authorities, including previous financial reports, management's discussion and analysis and material change reports, which may be accessed through the SEDAR+ website (www.sedarplus.ca) or IPC's website (www.international-petroleum.com).

Disclosure of Oil and Gas Information

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

Reserve estimates, contingent resource estimates and estimates of future net revenue in respect of IPC's oil and gas assets in Canada and France/Malaysia are effective as of December 31, 2025, and are included in the reports prepared by Sproule International Limited and ERC Equipoise Ltd., respectively (collectively, Sproule ERCE), an independent qualified reserves evaluator and auditor, in accordance with National Instrument 51-101 – Standards of Disclosure for Oil and Gas Activities (NI 51-101) and the Canadian Oil and Gas Evaluation Handbook (the COGE Handbook) and using Sproule ERCE's December 31, 2025 price forecasts.

The price forecasts used in the Sproule ERCE reports are contained in the AIF. These price forecasts are as at December 31, 2025 and may not be reflective of current and future forecast commodity prices.

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

2P reserves and contingent resources included in the reports prepared by Sproule ERCE have been aggregated by IPC. Estimates of reserves, resources and future net revenue for individual properties may not reflect the same level of confidence as estimates of reserves, resources and future net revenue for all properties, due to aggregation.

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

Currency

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

Reader Advisory

ABBREVIATIONS

bbl	Barrel (1 barrel = 159 litres)
boe	Barrel of oil equivalent, including crude oil and natural gas
boepd	Barrel of oil equivalent per day
CO ₂ e	Carbon dioxide equivalents, including carbon dioxide, methane and nitrous oxide
CSRD	Corporate Sustainability Reporting Directive
CCS	Carbon capture and storage
DMA	Double Materiality Assessment
EIA	Environmental Impact Assessment
ERM	Enterprise risk management
ESG	Environmental, social and governance
ESTMA	Extractive Sector Transparency Measures Act
GHG	Greenhouse gas
GRI	Global Reporting Initiative
HSE	Health, safety and environment
IFRS	International Financial Reporting Standards
IPC	International Petroleum Corporation
IRO	Impacts, risks and opportunities
ISSB	International Sustainability Standards Board
JTO	Job task observation
kg CO ₂ e	Kilogram of carbon dioxide equivalents
KPI	Key performance indicator
KWh	Kilo watt hour
LTI	Lost time incident
LTIF	LTI frequency
Mboepd	Thousand barrels of oil equivalent per day
MMboe	Million barrels of oil equivalents
MWh	Mega watt hour
OLCN	Onion Lake Cree Nation
SAGD	Steam assisted gravity drainage (a thermal recovery process)
SDG	Sustainable Development Goal
t CO ₂ e	Tonne of carbon dioxide equivalents
TCFD	Task Force on Climate-related Financial Disclosures
TRIR	Total recordable incident rate
UNDRIP	United Nations Declaration on the Rights of Indigenous Peoples

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