



2025

Sustainability Report

Proudly producing Canadian energy, for the world.



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Introduction

Message from Our President and CEO

The Rise of Energy Pragmatism

Energy pragmatism is on the rise globally, and Canada has the opportunity to lead the way. No other nation possesses all the advantages of effective democracy, proven environmental regulations, global-scale energy reserves available for export, and a highly skilled and innovative workforce.

Crude oil and natural gas are by far the most valued commodities in the world – more than ten times the market size of the next largest commodity. America's insatiable hunger for fuel is growing, while Europe is highly dependent on imports, often depending on their historical adversaries for the vital energy supplies. Despite their outsized shares of the world's oil reserves, Russia, Iran and Venezuela have struggled with long-standing political and economic challenges, and meaningful recovery will require sustained institutional reform. The Middle East continues on a long and complex path toward durable economic stability. Canada stands alone, capable of fueling human prosperity without compromising the environment, human rights or good governance.

For about a decade, Canada was pushed toward poor economic outcomes in pursuit of an imagined moral high-ground. In the last few years, however, a combination of geopolitical factors has refocused us on reality: the world needs energy that is secure, affordable and responsibly produced.



Canada's Opportunity to Lead

Reawakened, Canada has begun planning to fast track more LNG and oil export projects and re-establishing a functional major projects framework for power generation, mining and other industries. Our time to apologize for our resources and our prosperity has passed. The only question now is how quickly we can fulfil our potential.

Natural gas is the most immediate way to secure global energy prosperity without the pollution and emissions intensity of coal, and the world has come to the realization that it is a transformational fuel, not just transitional.



Advantage's Role in the Global Context

Advantage has been preparing for this moment for 25 years. Not only are Advantage's reserves world class, so is our focus on environmental performance, with the world's only CCS-abated gas plant (Glacier) and a growing carbon-removal business in Entropy. The final phase of Glacier CCS is under construction and expected to come onstream in the middle of 2026, and Entropy continues advancing numerous third-party CCS projects around North America.

Focused heavily on the resource-dense Alberta Montney with complementary liquids production from the adjacent Charlie Lake, Advantage produces some of the lowest cost natural gas in North America. Notably, our undeveloped resource inventory extends well beyond half a century and continues to grow; this is what energy security and affordability looks like.

A significant milestone in 2024 was our acquisition of select Charlie Lake and Montney assets. The acquisition enhanced our scale, operating efficiency, long-term sustainability, and ability to deliver enduring value for shareholders and stakeholders. As we assumed ownership and operatorship of these assets, we identified many synergies to strengthen and enhance environmental and operational performance, consistent with how we have always managed our core business.

Powered by Our People, for Our Stakeholders

Our success started with world-class resources but continues to be driven by our world-class team. Our people share the common values of merit, duty and discipline. We recognize that operating our assets on behalf of our shareholders and stakeholders is a privilege that must be continuously earned by delivering exceptional results, devotion to the community, and protection of the environment.

A particularly important duty is to health and safety, where we continue to achieve record-low total recordable injury frequency and reportable spills for Advantage. Our Indigenous Scholarship Program, ongoing stakeholder engagement and Community Investment Program reflect our commitment to positive social impacts where we operate.

Sustainability through Pragmatism

The sustainability journey is complex, and the policy environment continues to develop. Our dedication remains unwavering. We are well positioned to meet growing demand for secure and affordable energy while pursuing responsible growth. Thank you to our stakeholders, employees, and communities for your continued support.



Mike Belenkie



2024 Sustainability Highlights



Business Activity

70,918 boe/d*

17% increase in production

\$543 million

sales of natural gas and liquids.

Emissions**

369,348 tCO₂e
Scope 1 & 2 absolute
emissions

10% increase from 2023

26,277 tCO₂e
carbon
capture &
sequestered

Over 130,000 tCO₂e captured
& sequestered since 2015

0.014 Scope
1 & 2
emissions
intensity

5% decrease from 2023

0.0028 Methane
emissions
intensity

12% decrease from 2023

Environment

\$3.0 million

spent on abandonment
and reclamation

0
reportable spills

Health & Safety

95 %
COR Audit score

0.09
total recordable
injury frequency

Economic Impact

\$270,000

contributed to various charities, programs,
advocacy initiatives, and communities.

8 scholarships

scholarships provided as part of our
Indigenous Scholarship Program, a total
of 20 since program inception in 2022.

People

84 109

total employees total contract
operators

A 38%
and 63%
increase,
respectively,
from 2023

6 ~30%

internal promotions female representation
corporately and on the
Board of Directors

* Refer to Data Table for production information

** Refer to "About this Report – Assurance" for details on how the Corporation's emissions data was collected, managed, and verified

About Advantage

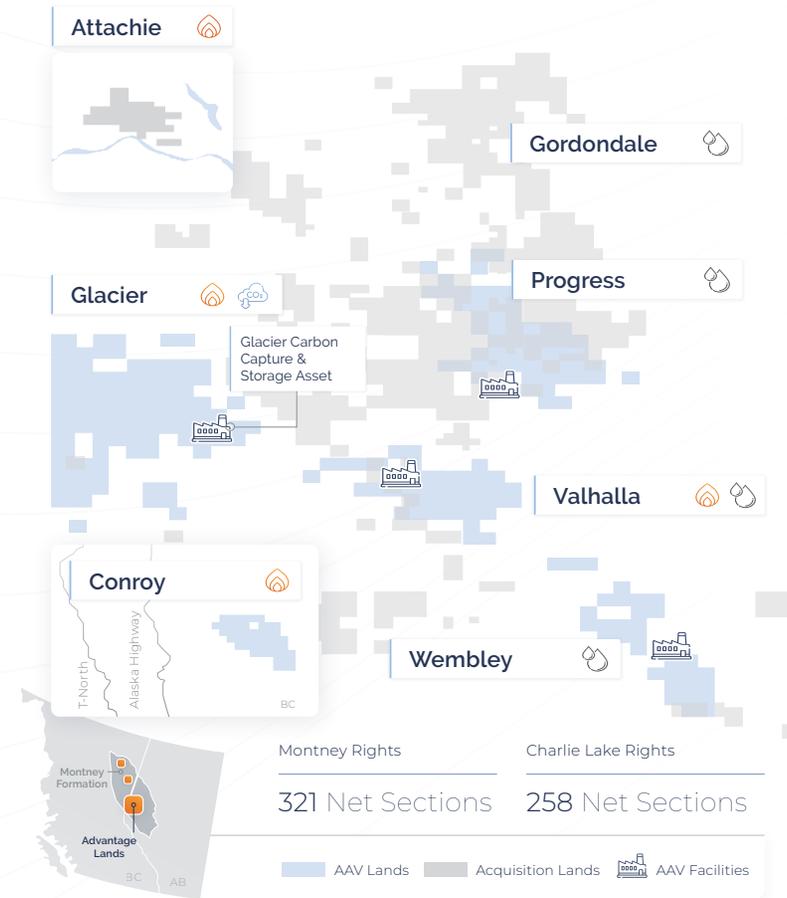
Advantage Energy Ltd. is engaged in the business of natural gas, crude oil, and natural gas liquids development, acquisition, and production. Advantage is focused on development and growth of our extensive Montney resource play where we hold a total of 231 net sections (~147,800 net acres) of Doig/Montney rights at Glacier, Valhalla, Progress, and Wembley, Alberta, 90 net sections (~57,600 net acres) of undeveloped Montney rights in Conroy and Attachie, British Columbia, and 258 net sections (~165,100 net acres) of synergist Charlie Lake rights in Alberta. Our mission is to “Convert Energy to Shareholder Wealth by Delivering Exceptional Performance”.

At Advantage, we believe in a multi-faceted approach to sustainability that includes:

- Prioritizing health and safety above all else,
- Monitoring and mitigating our greenhouse gas emissions,
- Responsibly managing our interactions with the natural environment,
- Making a positive impact on local communities,
- Fostering a work environment of inclusion, respect, and growth for employees,
- Managing risk and capitalizing on opportunities with integration into our business strategy,
- Aligning governance practices with ethical, responsible, and transparent operations, and
- Operating a profitable business that generates shareholder return.

Delivering on these objectives embedded within our strategy is integral to the success of Advantage and we continue to strive for a well-balanced approach, integrating what is important to us and our stakeholders as the business and industry evolves.

*2024 average annual production consisted of 5,347 bbls/d of crude oil, 1,116 bbls/d of condensate, 3,127 bbls/d of NGLs, and 367,965 Mcf/d of natural gas



AAV



Head Office

Calgary, Alberta, Canada

About Entropy

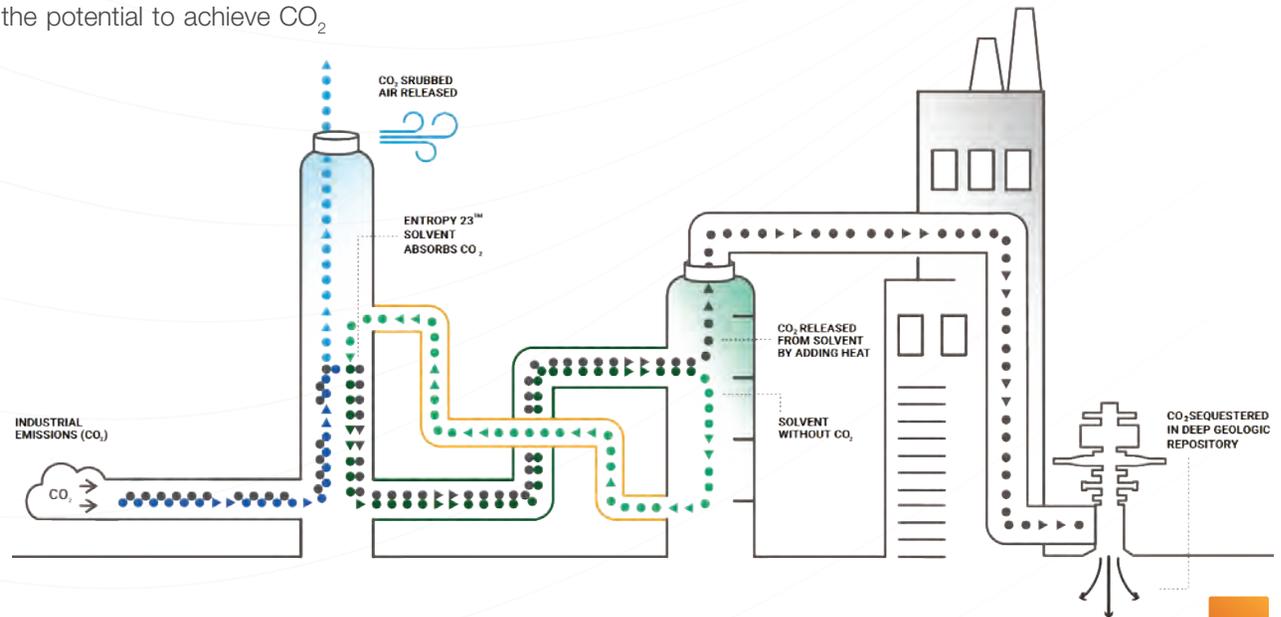
Entropy Inc., a subsidiary of Advantage, is a global full-service carbon capture and storage (CCS) developer, specializing in innovative solutions to reduce CO₂ emissions from pre- and post-combustion sources at third-party sites. Entropy has strategic investment agreements with Brookfield Renewable and the Canada Growth Fund (CGF) providing access to an aggregate of approximately \$500 million in committed capital for project development. CGF has also provided Entropy a 15-year, \$ 1 billion fixed-price carbon credit purchase agreement for a minimum of 600,000 tonnes per annum (tpa) and up to 1 million tpa that has the potential to accelerate deployment of CCS in Canada.

Entropy's CCS system is currently operational at the Glacier Gas Plant near Grande Prairie, Alberta, whereby the total project has taken a phased approach for the abatement and sequestration of CO₂ from emission sources on site. This **Glacier CCS Project** design allows the system to meet all heat requirements for amine regeneration, with the potential to achieve CO₂ recovery rates between 90% and 98%.

Glacier **Phase 1A**, commissioned in July 2022, marked the first commercial deployment of Entropy's MCCS™ technology, capturing emissions from a single compressor engine while investing in the integration of waste heat recovery that would be essential for future phases. Glacier **Phase 1B**, commissioned in December 2023, introduced Entropy's iCCS™ technology, designed to capture carbon emissions and directly integrated into a new compressor engine. The final Glacier **Phase 2**, enabled by the significant investments and proven learnings from Phases 1A and 1B, is under construction and expected to be completed in the second quarter of 2026, capturing emissions from the remaining nine compressors as well as a new Entropy-owned natural gas-fired power generation turbine. Upon completion of the Glacier CCS Project, a five-year development program, total CO₂ capture capacity will be approximately 192,000 tpa for permanent geological sequestration. For more information, see: www.entropyinc.com.



- INDUSTRIAL EMISSIONS
- CO₂ SCRUBBED AIR
- CARBON MOLECULES
- ENTROPY 23™ SOLVENT (LEAN)
- ENTROPY 23™ SOLVENT (RICH)



About This Report

Advantage's 2024 Sustainability Report is effective as of December 1, 2025, and prepared by Advantage, reflecting a voluntary communication of certain environment, social, and governance information to current and prospective securities investors for the period between January 1, 2024 and December 31, 2024. The accompanying [Data Table](#) includes metrics for 2024 and the preceding two years. All Advantage performance metrics are prepared and disclosed on a consolidated basis, including Entropy. Performance data include results of acquired assets only from their respective closing dates (pro-rated where applicable) and Advantage historical metrics are not restated to include such assets for periods prior to closing.

Standards and Frameworks: The environment, social, and governance (ESG) disclosures in this report are prepared with reference to and generally aligned with the following internationally recognized reporting methodologies:

- ▣ Sustainability Accounting Standards Board (SASB)
 - EM-EP-Oil & Gas Exploration & Production
- ▣ Global Reporting Initiative (GRI) Standards
 - GRI 11: Oil and Gas Sector 2021
- ▣ Task Force on Climate-Related Financial Disclosures (TCFD)

All financial data is prepared and reported in accordance with International Financial Reporting Standards (IFRS), representing generally accepted accounting principles (GAAP) for publicly accountable enterprises in Canada. For further details on financial and operating performance, please refer to Advantage's Consolidated Financial Statements, Management's Discussion and Analysis (MD&A), Annual Information Form (AIF), and Management Information Circular, all of which are available on Advantage's website at www.advantageog.com and on SEDAR+ at www.sedarplus.ca.



Conventions

The terms "Advantage", "Advantage Energy Ltd.", the "Company", the "Corporation", "we", "us", "our", and similar terms refer to Advantage Energy Ltd. and its subsidiaries, including Entropy Inc. All references to dollars are to Canadian dollars, unless otherwise indicated. All other ESG performance metrics have units noted.

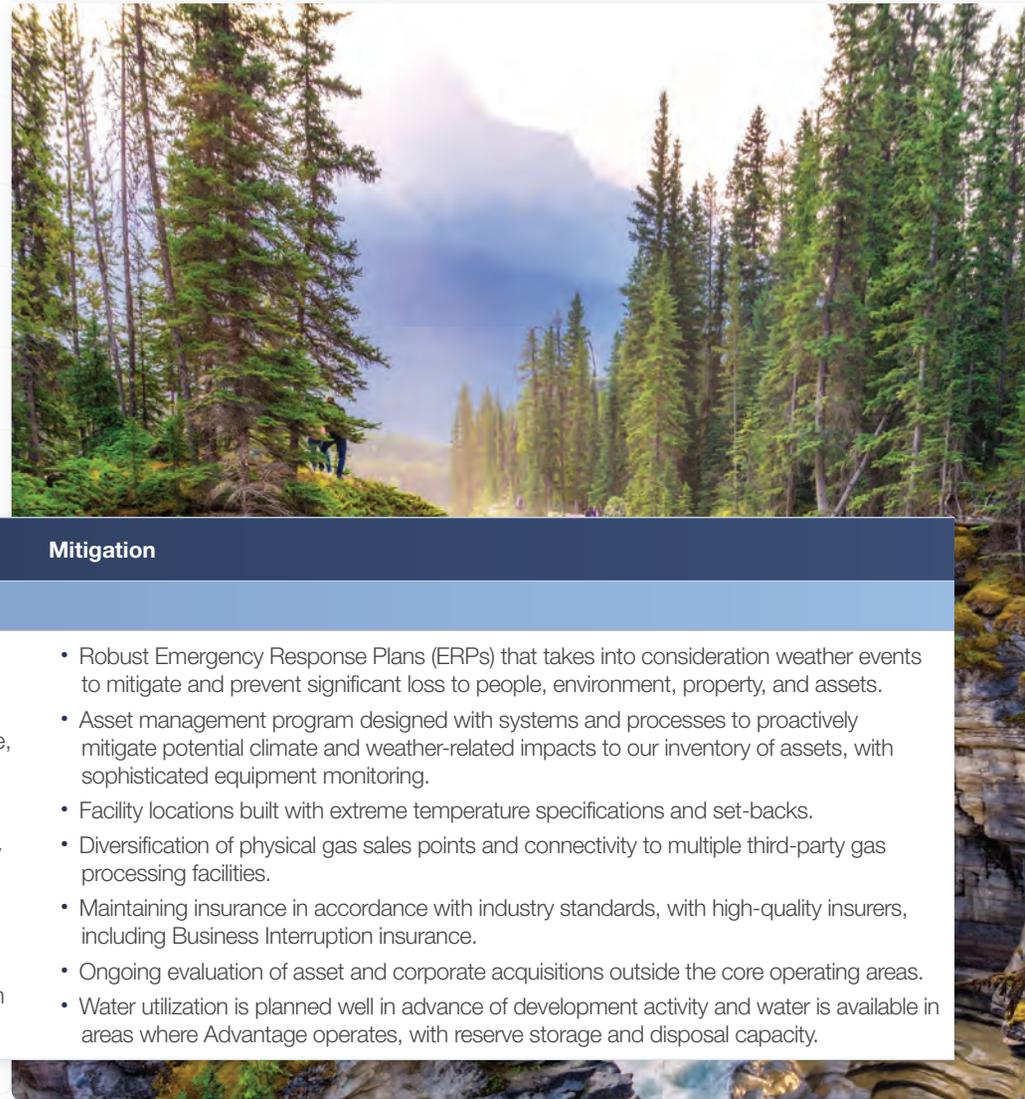
Assurance

Advantage's reported emissions for 2024 were verified by an independent third-party accredited body to the ISO Standard 14065:2013. All other data is collected and managed internally by Advantage, aligning with reporting standards and frameworks. Advantage is continuously improving our data capture process to ensure accurate information is reported. We conduct internal verifications to ensure compliance with all regulatory requirements in addition to overall accuracy and alignment with industry best practices.

Risks and Opportunities

Advantage regularly assesses risks and opportunities that are most pertinent to our business and strategy through our integrated Enterprise Risk Management (ERM) framework. Management provides an ERM update to the Audit Committee each quarter on identified top-priority risks and the status of mitigation controls, including risk-management policies and procedures.

An overview of the potential climate-related risks and opportunities is summarized in the following table:



Category	Impacts	Mitigation
Physical Risks		
Acute	Increased severity and frequency of extreme weather events such as fires, drought, flooding, or severe storms, and changing precipitation patterns causing extreme temperature variations could negatively impact Advantage. These events pose risk to the health and safety of our people, the environment, property, and assets. There is a particularly higher risk to Advantage as the majority of operating activities and facilities are concentrated in a localized region of Alberta. Business interruptions due to weather events may increase operating or capital costs and negatively impact revenue generation. Water availability and disposal ability poses another risk as Advantage's business is highly dependent on water for drilling and hydraulic fracturing.	<ul style="list-style-type: none"> • Robust Emergency Response Plans (ERPs) that takes into consideration weather events to mitigate and prevent significant loss to people, environment, property, and assets. • Asset management program designed with systems and processes to proactively mitigate potential climate and weather-related impacts to our inventory of assets, with sophisticated equipment monitoring. • Facility locations built with extreme temperature specifications and set-backs. • Diversification of physical gas sales points and connectivity to multiple third-party gas processing facilities. • Maintaining insurance in accordance with industry standards, with high-quality insurers, including Business Interruption insurance. • Ongoing evaluation of asset and corporate acquisitions outside the core operating areas. • Water utilization is planned well in advance of development activity and water is available in areas where Advantage operates, with reserve storage and disposal capacity.
Chronic	<p>Likelihood: Equally likely Timeframe: Short-, Medium-, and Long-term</p>	



Category	Impacts	Mitigation
Transitional Risks		
Policy & Legal	<p>Domestic or foreign governments that implement policies, legislation, and regulations related to restricting GHG emissions (either directly or indirectly), increased ESG reporting obligations, and promoting adaptation to climate change have the potential to increase expenditures due to the cost of compliance and the potential for fines or penalties for breaches. Any delay in necessary licenses or permits could also impact any existing or planned projects. Specifically with the Canadian federal government's tax on carbon emissions, which is aimed to incentivize the use of alternative fuels, any such tax may have the effect of decreasing the demand for oil and natural gas, while also increasing expenditures. Additionally, Bill C-59, amendments to the Competition Act, introduced in Canada June 2024, created uncertainty on how companies can publicly communicate climate-related and other environmental claims. Each may have a material adverse effect on profitability, financial conditions, and potential legal challenges.</p> <p>Entropy:</p> <ul style="list-style-type: none"> CCS projects are dependent upon prevailing government policies, which if not supportive, could lead to CCS projects not being economical. CCS projects are dependent on regulatory approval to obtain sequestration sites for CO₂. <p>Likelihood: Likely Timeframe: Short-, Medium-, and Long-term</p>	<ul style="list-style-type: none"> Maintain awareness of potential and upcoming changes to policy and legislation and remain engaged with governments through industry organizations. Changes in capital allocation and strategic planning to align with a lower carbon economy. Design and build lower emitting facilities. Entropy contributes to the mitigation of Advantage's carbon pricing risk through the installation of emissions reduction technology at Advantage facilities and through plans to develop CCS projects for third-party emitters. Potential diversification opportunities across provincial boundaries. Evaluate sustainability reporting approach to comply with Bill C-59 requirements. <p>Entropy:</p> <ul style="list-style-type: none"> Entropy is evaluating and has the ability to execute projects in Canada, the United States, and other jurisdictions, and for many different industries which lessens the risk of possible regulatory changes broadly impacting the business.
Technology	<p>Entropy:</p> <ul style="list-style-type: none"> Entropy competes with numerous other entities in the energy industry, some of which have greater financial resources, staff, and facilities to invest in new technology, which requires expertise and capital. Entropy's current process and other technology under development may not prove to be commercially viable, efficient, or operationally effective, and there is no guarantee competitors won't develop technology superior to Entropy's which would have negative implications for the business. The low-carbon renewable, and clean technologies energy sector is developing rapidly, and unexpected positive results from competing energy technologies may reduce the market potential for CCS and reduce demand for Entropy's products and services. <p>Likelihood: Likely Timeframe: Medium-, and Long-term</p>	<p>Entropy:</p> <ul style="list-style-type: none"> Securing external investors and government funding for new technology developed by Entropy to mitigate emissions. Entropy owns a proprietary solvent and accompanying processes for carbon capture, including technology patents. Entropy has committed to additional research and development in conjunction with partners to position itself as a unique provider in the industry.



Category	Impacts	Mitigation
Transitional Risks		
Market	<p>Shifting consumer demand for oil and natural gas products with higher consideration for lower-emission products and services, where certain jurisdictions have implemented policies and incentives to decrease the use of fossil fuels, has the potential to put downward pressure on commodity prices. Any substantial or extended decline in the price of oil and natural gas will have an effect on Advantage’s carrying value of reserves, borrowing capacity, revenues, profitability, and cash flows, and may have a material effect on the business, financial condition, results of operations, and prospects.</p> <p>There is risk associated with securing services and equipment that are necessary for Advantage’s operations for the expected price, on the expected timeline, or at all. This may have an adverse effect on our ability to operate, impacting financial performance and cash flows.</p> <p>Entropy:</p> <ul style="list-style-type: none"> Operational risks related to supply chain interruptions may impact Entropy’s ability to carry out projects or successfully implement a CCS low project cost strategy or achieve the forecast CCS cost. <p>Likelihood: Likely Timeframe: Medium-, to Long-term</p>	<ul style="list-style-type: none"> We anticipate in the future, oil and natural gas will be sourced from the lowest carbon emitting producers, and as such, we have secured CCS technology within our operations to abate emissions. Forward commodity prices, hedging strategies, market diversification, optimization strategies, and capital allocation are regularly reviewed among the executive team and the Board. Continuous monitoring of business risks and market conditions to assess/adjust corporate strategy to remain within acceptable risk tolerance limits. Proactive planning, sourcing, securing costs for key projects and utilizing multiple suppliers. Treat all suppliers fairly during all cycles of pricing and build positive relationships. <p>Entropy:</p> <ul style="list-style-type: none"> Proactive planning, sourcing, securing costs for key projects, and utilizing multiple suppliers. Treat all suppliers fairly during all cycles of pricing and build positive relationships.
Reputation	<p>Stigmatization of the oil and natural gas industry from the public could expose Advantage to higher costs, delays, or even project cancellations due to increased pressure on governments and regulators from special interest groups, which may lead to increased regulatory oversight, reduced government support, and potential climate-related litigation, all of which could lead to increased costs, or cost overruns. Perceptions of the industry also impact our ability to attract and retain skilled employees and consultants, which may result in decreased production capacity.</p> <p>There is also risk to changing investor sentiment towards the oil and natural gas industry, where in the past investors indicated they will not invest in the industry, although that sentiment has been changing positively more recently. This has the potential to result in limited access to capital, and a decrease in the price and liquidity of Advantage securities.</p> <p>Likelihood: Likely Timeframe: Short- to Medium-term</p>	<ul style="list-style-type: none"> Annual ESG reporting with enhanced disclosures. Achieving emissions reductions within our development plans (Glacier Gas Plant CCS Project - Phase 1a, 1b and 2). Maintain a good corporate reputation with all stakeholders through communication strategies, engagement and consultation, community donations, hiring programs, and education scholarships. Ensuring our organization has a robust, market-competitive compensation and benefits program including training and career development for employees. Clear and consistent communication with shareholders and investment analysts.

Category	Impacts	Mitigation
Opportunities		
Resource Efficiency	There is an opportunity for Advantage to identify and utilize new or emerging technology to aid in more efficient operations and minimize our emissions.	Relevant teams are continuously identifying and evaluating new technologies and how they can be applied to our business, such as Entropy's CCS technology.
Energy Source	With an increase in global demand for lower-emission energy, as well as renewable energy, Advantage has an opportunity to market our carbon capture and storage utilization and plant electrification to consumers. Participation in the carbon market provides an additional opportunity for Advantage to monetize emissions reductions.	<ul style="list-style-type: none"> Evaluating initiatives to reduce absolute emissions, including the use of CCS technology. Currently active in the Alberta carbon market.
Products & Services	<p>Entropy:</p> <ul style="list-style-type: none"> There is an opportunity to diversify service offerings into other industries outside of the oil and gas sector on reciprocating engines, boilers, or natural gas turbines. 	<p>Entropy:</p> <ul style="list-style-type: none"> Marketing Entropy's CCS technology to emitters in other industries. In 2024, Entropy entered an agreement with a methanol producer and supplier to invest in a pre-FEED study for carbon capture, utilization, and sequestration. Additionally, Entropy completed two pre-FEED in the United States for a gas-fired steam generation facility and a gas-fired power generation project, as well as engineering that is now underway in the United States to capture post-combustion CO₂ at an ethanol facility from gas-fired boilers.
Markets	<p>Entropy:</p> <ul style="list-style-type: none"> Canada has incentivized projects and technologies that hold significant potential to reduce emissions across the Canadian economy, creating an opportunity for additional access to capital and business risk mitigation. 	<p>Entropy:</p> <ul style="list-style-type: none"> Continuously seeking funding opportunities. At the end of 2023, Entropy entered a strategic investment agreement with CGF for \$200 million coupled with a fixed-price carbon credit purchase agreement of up to one million tpa.

Note: Short-term = less than 5 years, Medium-term = 5 to 10 years, and Long-term = more than 10 years. For additional risks, please refer to Advantage's [Annual Information Form](#).





Environment



Air

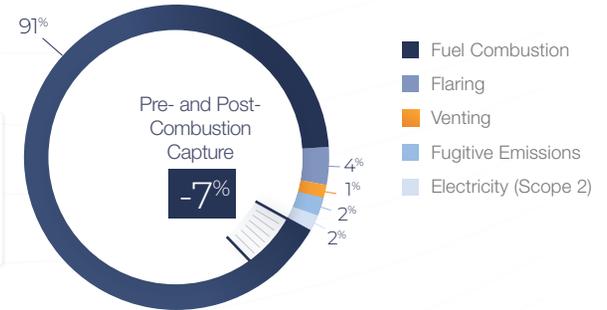
Advantage follows the Greenhouse Gas Reporting Protocol Standard methodology for calculating our greenhouse gas emissions inventory. Reported emissions were verified by an independent third-party accredited body to the ISO Standard 14065:2013. In 2024, our Scope 1 and 2 emissions, including carbon capture, were 369,348 tCO₂e, which was a 10% increase compared to 2023. This can be attributed to the 17% increase in operated production, primarily due to the 2024 asset acquisition.

Despite the assets acquired, which independently had an emission intensity of 0.038 tCO₂e/boe in 2024, and increased annual production, total scope 1 and 2 emission intensity was 0.014 tCO₂e, a 5% decrease from the previous year. We recognize that with increased production, our absolute emissions will likely increase but expect emission intensity to continue to decrease in the near-term with the implementation of carbon capture technology among other emission reduction initiatives and synergies.

Advantage's 2024 initiatives included:

- ❑ In-line testing new production on all well pads directly into gathering pipelines,
- ❑ Implementation of AER Directive 60 requirements, electrifying and converting pneumatic pumps from high- to low-bleed and implementing venting mitigation at our Progress and Wembley facilities, resulting in a reduction of 7,320 tCO₂e since mid-year 2022,
- ❑ Installation of solar power supply systems at new wellsites for onsite power needs,
- ❑ Employing a waste heat recovery system to capture heat contained in the exhaust of our compressor fleet, which is then reused in our processing operations, reducing fuel gas combusted by 16,772 tCO₂e,
- ❑ Battery back-up at the Glacier facility commissioned in June 2024 has reduced electrical-related downtime which has resulted in a reduction of both low-pressure and high-pressure flaring,
- ❑ Quarterly fugitive emissions surveys at all major facilities, and annual wellsite, pipeline, and riser surveys all using ground-based optical or flyover detection equipment,
- ❑ Use of bi-fuel engines with a converted drilling rig and TIER 4 Dynamic Gas Blending (DGB) engine for our frac fleet, displacing a portion of diesel with natural gas to lower emissions, and
- ❑ Pre- and post-combustion carbon capture, including the implementation of Entropy's technology for Glacier Phase 1A and 1B, and injecting both CO₂ and H₂S removed into permanent underground storage, resulting in 26,277 tCO₂e combined emissions avoided.

Scope 1 & 2 Emission Sources
tonnes CO₂e



Capital Investments in Emission Reduction Technology:

In 2024, **\$37.4 Million** was invested by Entropy in deploying carbon capture technology and conducting research and development;

Which was 5% of Advantage's total capital investments.

Water

Drilling

A well is encased in steel and cement to ensure that all fluids used in operations are fully isolated from groundwater and surface water, preventing any potential contamination. Water is recycled between wells after being processed and treated, including passage through a centrifuge that separates solids from liquids, followed by a wash tank that further separates water from residual oil, prior to reuse where feasible.

Completions

Fluids consisting of 96% water, additives, and proppant (typically sand), is pumped into the wellbore to hydraulically fracture the targeted rock and stimulate production. Unconventional wells use water during the initial fracturing process, but not during the production life of the well.

Water Use

In 2024, 866,349 m³ of water was withdrawn or purchased for industrial purposes, which is 11% higher as compared to 2023. While total water use rose in line with a 17% increase in operated production, water-use intensity improved by 6% year-over-year. Advantage strategically drills longer wells, which require more water during completion activities but deliver higher initial productivity and ultimate recovery; over the area-development life this approach reduces the number of wells required, supports more efficient capital deployment, and is intended to lessen impacts on our communities.

Produced water, including flowback, recovered from our drilling and completion activities is sour (contains H₂S). Therefore, water recycling poses significant challenges including onsite water storage that carries risk to the health and safety of people and wildlife, potential for spills/leaks



due to increased handling, environmental footprint, in addition to significant costs related to treatment equipment and construction of a produced water distribution network. Saline water use has similar environmental challenges as the risk of spills or leaks could have detrimental effects on nearby ecosystems. We continue to evaluate possible alternative opportunities for recycling sour water that will address these obstacles with minimal impacts on our communities and the environment. Any produced water, including flowback, recovered from Advantage’s drilling and completion activities is transported through pipelines and injected into deep underground saline reservoirs through Advantage’s owned water disposal wells. All produced water meets applicable regulatory disposal requirements.

Water Returned to the Environment

Water vapor is generated during the processing of natural gas from internal combustion engines at our Glacier Gas Plant, which is naturally returned to the environment.

In the event that surface water collects onsite in berm areas around tanks and leases, or in ditches and low spots, this water is collected and discharged off-site in a controlled manner. Prior to discharging water offsite, it must be tested and satisfy, at a minimum, the discharge criteria set out by the governing regulatory bodies.

Waste

Advantage’s primary waste streams come from our drilling and completions activities, which generates hazardous (DOW) and non-hazardous (non-DOW) waste, where we follow all applicable provincial and regulatory requirements for handling, storage, disposal, and documentation of wastes. Other non-hazardous wastes streams come from onsite activities and projects that are separated between plastic, wood, and cardboard, manifested and transported for disposal by a third-party.

The Calgary corporate office participates in the building management’s Waste Management Service program, which includes disposal or diversion of non-recyclables, organics, and recyclables including plastic, metal, paper, glass, electronics, batteries, and pens.

We seek opportunities to reduce, reuse, recycle, and recover, wherever possible, such as reusing materials for wellbore construction, including tubing and wellhead valves from abandoned wells, or reusing drilling brine and oil base from well to well.

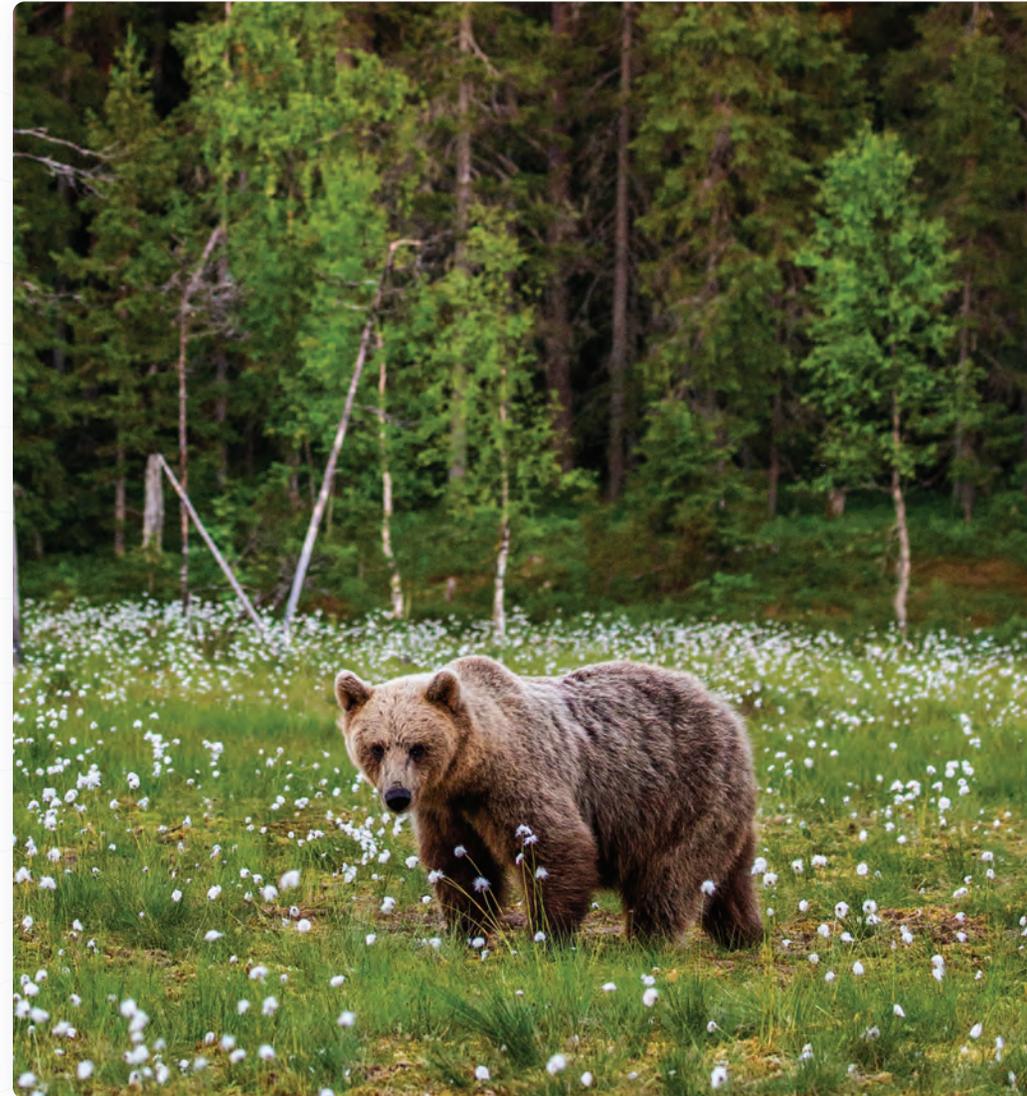


Land

Biodiversity

Advantage follows all regulatory requirements and industry standards, following the prioritization of avoidance, minimization, restoration, and reduction in regard to biodiversity through the following:

- Consideration of environmental issues during the planning stage of site selection and lease preparation (e.g., land status, wildlife concerns, historical/cultural significance, etc.),
- Engagement with local residents for feedback on projects that may have a direct impact,
- Conduct environmental assessments prior to development, using a third-party of industry experts to identify potential risks or impacts, which informs our environmental protection plans with appropriate mitigation measures, and
- Continuous monitoring for potential impacts after operations begin.





Environmental Reclamation

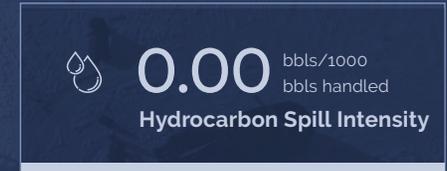
Advantage has a history of directing funding towards abandonment and reclamation activities that exceed our regulatory obligations. In 2024, we spent just over \$3 million on abandonment and reclamation activities, which was 3.3 times our mandatory regulatory requirement. Additionally, original legacy sites under active management in 2020 were reduced from 134 to 100, a 25% reduction. We are on track to decrease sites under active management and remediation by over 40% between 2020 and 2025.



Spill Prevention and Management

Spills and releases have the potential to impact local communities, the environment, reputation, and may have financial implications. Proactive prevention is key in mitigating the potential risks, this includes our 24-hour monitoring, preventative maintenance, inspections, training, and detailed emergency response plans to immediately address spills and releases if they do occur. Our employees and contractors are expected to report all spills and releases regardless of the product or volume so the incident can be investigated and have corrective actions assigned to prevent recurrence.

Our Emergency Response Plans (ERPs) detail spill response, containment, and recovery actions to be taken in the event of a spill, where we endeavor to recover or neutralize as much of the spill as possible. Advantage has been



a member of the Western Canada Spill Services (WCSS) for over 20 years, providing spill contingency plans, spill response equipment, training, and support to members, where we participate in the Oil Spill Co-op exercises annually. We are also engaged with the Emergency Response Assistance Canada (ERAC) Environmental Emergency (E2) plan, which provides support to spills related to petroleum gas or liquid natural gas via truck or rail.

Asset Integrity

Our Pressure Equipment Integrity Management (PEIM) System is guided by the applicable regulatory jurisdictional acts and regulations for pressure vessels, process heaters, piping systems, and associated pressure safety valves and pressure relief devices. Advantage works with a third-party Authorized Integrity Assessment Organization with a Chief Inspector with respect to design control, purchasing and material control, construction and installation facilitation, inspection, maintenance, internal audits, repair, incidents and investigations, and record keeping, and where applicable, in alignment with Alberta Boilers Safety Association (ABSA). Advantage's ABSA Quality Management Audit received a score of 93%.

Advantage's Pipeline Integrity Manual is in alignment with the Alberta Energy Regulator's rules and regulations. This program outlines design and construction best practices, pipeline risk assessments with a risk matrix that takes into account conditions that may impact the pipeline integrity, preventative corrosion inhibition programs such as regular pigging to clear pipeline sections of debris or excess fluid, and inspections such as annual pipeline flyovers.



Social

Chemical Drain

Health and Safety

Oversight

Advantage is committed to fostering an environment where safety is a top priority, above everything else. All employees and contractors, at every level within the organization, are responsible for safety and integrating considerations into their everyday activities. Ultimate oversight of the Health and Safety Program falls with the Reserves and Health, Safety, Environment Committee, including Emergency Preparedness, where the committee is updated no less than on a bi-annual basis from the Health and Safety Manager on audit results, emergency response exercises, statistics including injuries, incidents, and leading indicators, as well as forward-looking information.

Health and Safety Management System

A comprehensive Health and Safety Management System is in place, applying to all staff conducting work on behalf of Advantage. Guided by our Health and Safety Policy statement, the system is developed and approved by the Health and Safety Team, along with support from all departments,

and all staff are encouraged to remain actively engaged in providing feedback to ensure the system evolves with operational changes. To foster an environment of open communication with our field staff:

- ▣ Health and Safety Management distributes monthly Energy Safety Canada meetings and disseminates new learnings,
- ▣ Industry bulletins or regulatory updates are communicated, and any learnings are shared across the Company,
- ▣ Quarterly Joint Health and Safety Committee meetings to review pertinent health and safety information,
- ▣ Bi-annual Reserves and Health, Safety, Environment Committee presentations are reviewed, and
- ▣ Corporate incident and injury information is reviewed at monthly safety meetings.





Safety Training

Prior to performing work on behalf of Advantage, all staff will complete training relevant to their role, which is delivered through a variety of methods, including industry-developed training courses, site and corporate orientations, safety meetings, on-the-job training (site-specific operating procedures), personal coaching, and refresher training.

Safety Performance

In 2024, our combined employee and contractor total recordable injury frequency (TRIF) was 0.09, which decreased 84% from the previous year and is well below our five-year average. Advantage thoroughly investigates all injuries and incidents to ensure appropriate corrective actions are put in place to prevent recurrence.

Emergency Preparedness

Advantage conducts full-scale and table-top emergency response exercises with participation from field leadership and other cross functional field staff, including corporate employees. These exercises ensure effectiveness, preparedness, and in-depth knowledge of our Emergency Response Plans (ERPs) and procedures as they cover relevant potential events such as injuries, wildfires, and spills/releases.

Contractor Management

Advantage transitioned to a new third-party compliance management solution in 2024 to prequalify our contractors prior to them conducting work on behalf of Advantage. All contractors are required to provide proof of insurance and WCB coverage and will be evaluated on their safety performance. The purpose of assessment is to ensure contractors have adequate safety programs in place and are qualified to conduct the work they were hired for.

Our contractual agreements with all full-time contract operators have a defined obligation with respect to complying with Advantage’s health and safety program and all relevant jurisdictional regulations.

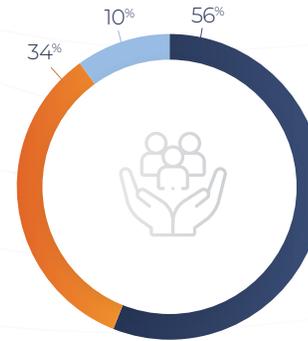
Prior to accessing any Advantage sites, all new contractors, consultants, or employees must be orientated on worksite safety, which includes responsibilities, safety standards, hazards, training, personal protective equipment, emergency procedures and equipment, safe work permits, and safety meetings.

Stakeholder Engagement



Valhalla Community Public Charter School Donation

In 2024, Advantage made a \$5,000 donation to the Valhalla Community Public Charter School which went directly to purchasing new computers for students to use during the school year.



Community Investment

by Core Areas of Giving

- Family & Community
- Education
- Health & Wellness



Advantage focuses on giving initiatives that we believe will have the greatest positive impact towards the communities in which we operate. In 2024, we released our Community Investment Program which establishes the requirements for making charitable contributions and guides the overall community investment strategy. Our three core areas of giving include:



Family & Community



Education



Health & Wellness

We work towards understanding the needs of impacted individuals and the communities where we operate. In 2024, Advantage attended local monthly meetings through the Wapiti Area Synergy Partnership with the purpose of facilitating communication and cooperation between petroleum industry partners, regulators, and community members regarding energy development in the area.

The Alberta Energy Regulator (AER) has a formal grievance process for stakeholders in the case that an operation, site, or facility is responsible for doing something that could have a negative impact on public safety, the environment, or personal property. If Advantage receives such a complaint, we take immediate steps to rectify the situation. Community members are provided the phone numbers to our facility emergency lines and direct lines to our Field Managers and Site Supervisors for direct communication.

Advocacy

Advantage recognizes the importance of transparent and responsible advocacy in supporting sound policy development and advancing industry best practices. We engage and support a variety of associations and organizations to stay informed, share technical expertise, and help shape discussions on issues critical to our operations. These include:

- ▣ The Explorers and Producers Association of Canada (EPAC)
- ▣ Canada Action Coalition Ltd.
- ▣ CGA Enterprises Inc.
- ▣ Canada Powered by Women
- ▣ Modern Miracle Network
- ▣ The Fraser Institute

Indigenous Engagement

We respect the unique interests and rights of Indigenous Peoples in the areas where we operate and recognize the importance of meaningful consultation and engagement with communities, working to maintain respectful relationships.

As part of our regular consultation protocol, we work in conjunction with Alberta’s Aboriginal Consultation Office to consult with Indigenous communities throughout the lifecycle of our operations. Community members are invited to review proposed projects within their traditional use lands, and we make voluntary payments for any site visits and offer a site representative accompaniment. Grievance procedures are built into the consultation process and are addressed through the formal Statement of Concern process. Should there be any concerns regarding our development plans, we will address them thoroughly and in a timely manner.

As part of Advantage’s Indigenous Scholarship Program, we successfully awarded eight scholarships in 2024 to Indigenous students who are members of the communities in or near our core operating areas. For more information see [Indigenous Scholarship Program](#).



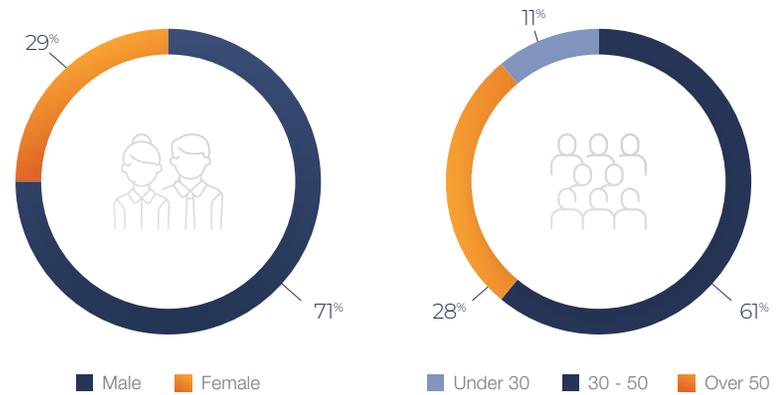
Our People

Employees are our most valuable resource, and we aim to foster an environment of inclusivity and respect, where everyone has the opportunity to contribute and make an impact on the organization.

Workforce Representation

We value a workforce with a range of perspectives and experiences. Our Diversity, Equity, and Inclusion Policy focuses on merit-based hiring and development, considering the broadest group of individuals who have the skills, knowledge, experience, and character to provide the leadership expertise needed to achieve business objectives, which is in the best interest of Advantage and our stakeholders.

84 Permanent Employees



Employee Rewards

Maintaining a competitive compensation and benefits program is a priority in retaining, motivating, and supporting the health and wellness of our employees. Each year, Advantage conducts compensation reviews for every employee using independent third-party compensation survey results and other external sources to ensure all employees are fairly compensated for their given positions, responsibilities, and tasks.

Employee benefits include:

- ❑ Medical, dental, and vision coverage for employees and their families,
- ❑ Income protection for short-term disability leave,
- ❑ Basic and dependent life insurance,
- ❑ Health Care and Wellness Spending accounts allowing for customization of health and wellness priorities,
- ❑ Employee and Family Assistance Program (EAP) to assist with a wide range of issues including stress, depression, relationships, alcohol and drug misuse, family matters and crisis counselling, which is available to all employees and individual contractors,
- ❑ Employee share purchase program with matching contributions to support employee financial wellness and alignment of employee interests with shareholders,
- ❑ Monthly transportation allowance for employees to subsidize the cost of transportation and parking, and
- ❑ Annual designated flex-days.

Training and Development

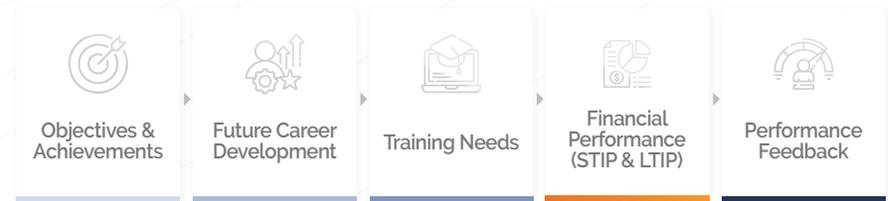
Attracting, retaining, and developing a skilled and dedicated workforce is a top priority as we believe investing in our employees' knowledge and skills will lead to collective, sustainable success.

Advantage offers training, leadership support, and career progression where employees are actively encouraged to participate in external training courses and seminars, in addition to attaining and maintaining professional memberships, that are subject to reimbursement by Advantage.

Employee Engagement

Advantage conducts an anonymous engagement survey each year, issued to all our employees and contractors to monitor satisfaction and engagement while also providing feedback on corporate performance from an employee perspective. In 2024, 76% of employees and contract operators completed the survey, and the results of this survey were shared with leadership and the Board of Directors.

Annual Employee Performance Review





Governance



Governance

Board Diversity

Advantage recognizes the value of a diverse Board and as such, implemented a Board and Management Diversity Policy which supports the appointment of Directors that have the skills, knowledge, experience, and character required to provide leadership needed to achieve business objectives.



Board Oversight

The Board of Directors has four committees that are responsible for oversight of ESG and climate-related matters. Committee mandates are reviewed annually and can be found on our website at [Corporate Governance – Advantage Energy Ltd.](#)

Audit Committee:

- ❑ Oversees internal and external auditing of financial information
- ❑ Oversight of risks, including those related to climate, the environment, and cyber security as part of Enterprise Risk Management review
- ❑ Meets on quarterly basis

Compensation Committee:

- ❑ Conducts reviews of compensation and incentive programs for employees
- ❑ Evaluates CEO, executive and corporate performance against corporate performance scorecard that includes ESG factors and achievements
- ❑ Meets at least twice a year

Reserves & Health, Safety, Environment Committee:

- ❑ Ensures regulatory compliance with disclosures related to oil and gas activities
- ❑ Reviews appointment of independent reserves evaluator
- ❑ Oversight of matters related to health, safety, and environment, and operational excellence
- ❑ Identifying and monitoring proposed or emergency legislation, regulations, or policies that may pose risks
- ❑ Meets at least twice a year



Governance & Sustainability Committee:

- ▣ Oversees matters related to corporate governance, including succession planning, board composition, and executive capacity
- ▣ Additional risk oversight related to Corporate Social Responsibility and Sustainability
- ▣ Ensuring ESG factors are integrated into the overall business strategy and decision making
- ▣ Review and approval of public disclosure on ESG and sustainability matters
- ▣ Meets at least twice a year

Management:

- ▣ CEO has ultimate accountability for ESG performance, ensuring any climate-related risk or opportunities are integrated into the organizational strategy
- ▣ Executive team members share responsibility for progress or delivery on climate-related performance objectives and metrics
- ▣ Management is responsible for taking reasonable steps to address risks and integrate sustainability opportunities into decision-making, which requires policies, procedures, or systems to manage or mitigate risks, reporting back to the Board on progress

Strategy

Advantage regularly monitors risks and opportunities to our business, continuously integrating emerging climate-related considerations into our evaluations. Our business as an energy producer is directly affected by commodity prices, which are in turn heavily influenced by climate, including weather patterns, wildfires, water availability. We leverage long-term supply/demand scenario analysis from a multitude of third-party organizations with differing perspectives to stress test our business plans.

Any findings from these assessments will guide our organizational strategy, business strategy, business activities, and financial planning, ensuring that identified risks have mitigation measures in place, and we capitalize on opportunities to achieve our desired future objectives.

We continue to evaluate using a scenario analysis to further our understanding of climate-related risks and opportunities.

Risk Management

Advantage utilizes our Enterprise Risk Management (ERM) framework and a multidisciplinary group of internal employees that regularly identify and assess potential risks and opportunities across the organization, including those related to climate. Through discussion and industry qualitative analysis of historical, present, and future factors, risks are categorized and assessed based on pre-defined criteria of likelihood and severity, where they are prioritized as minor, moderate, major, and catastrophic. Each identified risk has an assigned Executive leader who provides insights on what the most important risks are to our business and will establish appropriate mitigation controls, holding responsibility for the management of that risk.

Top priority risks are presented to the Audit Committee on a quarterly basis and made available to the Board of Directors to drive discussion around risk mitigation and corporate strategy.

Corporate Performance

Advantage utilizes comprehensive scorecards for both its Short-Term Incentive Plan (STIP) and Long-Term Incentive Plan (LTIP). The STIP scorecard is based on four pillars—Financial Discipline & Flexibility, Operational Excellence, Sustainability, and Strategic Development & Execution—and ties annual bonuses to defined targets and ranges within each pillar. The LTIP scorecard measures multi-year performance on Total Shareholder Return (TSR), cost structure, capital efficiency, and Long-Term Strategic Execution, which includes assessments of enterprise risk management, people and leadership, and progress on environmental and sustainability priorities.

For more information see Advantage's annual [Management Information Circular](#).

Business Ethics

We require the highest standards of professional and ethical conduct from our directors, officers, and employees, and our expectations are outlined in the following policies:

- ▣ Anti-Bribery and Anti-Corruption Policy,
- ▣ Code of Business Conduct and Ethics,
- ▣ Conflict of Interest and Procurement Policy,
- ▣ Disclosure Confidentiality and Trading Policy,
- ▣ Diversity, Equity, and Inclusion Policy,
- ▣ Drug and Alcohol Policy,
- ▣ Human Rights Policy,
- ▣ IT Usage Policy and Practices,
- ▣ Personal Information Protection Policy,
- ▣ Vendor Code of Conduct,
- ▣ Whistleblower Program, and
- ▣ Workplace Harassment and Violence Policy.





Cyber Security

Protection of Advantage’s proprietary data and Information Technology assets are a critical corporate responsibility, and therefore we have implemented processes and procedures to effectively:



Quarterly, we will conduct Enterprise Risk Planning exercises and rigorous Disaster Recover procedures to assess security risks and ensure comprehensive preparedness and rapid response capabilities are in place at both the corporate and field level. All employees and Board members are required to participate in cybersecurity training programs, which are assigned bi-weekly. Phishing simulations are also assigned variably throughout the year.

Advantage’s Audit Committee oversees the IT security program as part of our risk management. Quarterly, the Audit Committee is briefed by leadership on cyber security matters, including internally tracked data metrics related to IT security. To date, Advantage has not experienced any material information security breaches.



Appendix

Data Table • TCFD • SASB Index • GRI Index
Glossary of Terms and Acronyms • Forward-Looking Statements



Data Table

		Units	2022	2023	2024
Overview					
Economic Benefits	Petroleum and natural gas sales ¹	\$000	950,458	541,100	543,295
	Royalties ¹	\$000	106,257	42,432	52,471
	Net Capital Expenditures ²	\$000	241,790	282,796	736,911
	Operating expense ¹	\$000	64,269	84,453	125,747
Production	Natural gas	mcf/d	298,053	322,687	367,965
	Liquids	bbls/d	6,093	6,897	9,590
	Production, net	boe/d	55,769	60,678	70,918
	Operated production, gross ³	boe/d	56,353	61,010	71,150
Drilling Activity	Number of gross wells drilled	#	24	27	26
	Number of gross wells completed	Metres	23	24	27
	Total length completed	Metres	64,416	73,194	78,470
	Average lateral length per well completed	Metres	2,801	3,050	2,906
Environment					
Energy Use	Direct energy consumption	GJ	5,291,578	5,346,726	6,690,705
	Total energy consumption	GJ	5,309,158	5,375,075	6,756,807
	Total energy consumption intensity	GJ/boe	0.258	0.241	0.260
Emissions	Upstream ⁴				
	Direct GHG emissions (scope 1)	Tonnes CO ₂ e	100,605	108,380	135,621
	Indirect GHG emissions (scope 2)	Tonnes CO ₂ e	3,125	4,252	6,870
	GHG emissions (scope 1 and 2)	Tonnes CO ₂ e	103,731	112,633	142,491
	Emissions intensity (scope 1) ⁵	Tonnes CO ₂ e/boe	0.005	0.005	0.005
	Emissions intensity (scope 1 and 2) ⁶	Tonnes CO ₂ e/boe	0.005	0.005	0.006



		Units	2022	2023	2024
Environment					
Emissions	Midstream⁶				
	Direct GHG emissions (scope 1)	Tonnes CO ₂ e	235,371	221,691	226,738
	Indirect GHG emissions (scope 2)	Tonnes CO ₂ e	0	0	119
	GHG emissions (scope 1 and 2)	Tonnes CO ₂ e	235,371	221,691	226,857
	Emissions intensity (scope 1) ⁵	Tonnes CO ₂ e/boe	0.011	0.010	0.009
	Emissions intensity (scope 1 and 2) ⁵	Tonnes CO ₂ e/boe	0.011	0.010	0.009
	Total				
	Direct GHG emissions (scope 1)	Tonnes CO ₂ e	335,976	330,071	362,359
	Fuel Combustion	Tonnes CO ₂ e	319,837	322,375	358,603
	Pre- and Post-Combustion Carbon Capture ⁷	Tonnes CO ₂ e	-16,785	-20,887	-26,277
	Flared gas	Tonnes CO ₂ e	12,357	15,016	17,819
	Vented gas	Tonnes CO ₂ e	11,462	4,673	5,734
	Fugitives	Tonnes CO ₂ e	9,105	8,895	6,480
	Indirect GHG emissions (scope 2)	Tonnes CO ₂ e	3,125	4,252	6,989
	GHG emissions (scope 1 and 2)	Tonnes CO ₂ e	339,102	334,323	369,348
	Emissions intensity (scope 1) ⁵	Tonnes CO ₂ e/boe	0.016	0.015	0.014
	Emissions intensity (scope 1 and 2) ⁵	Tonnes CO ₂ e/boe	0.017	0.015	0.014
	Air Emissions				
	Carbon Dioxide (CO ₂)	Tonnes	270,461	275,511	311,227
	Nitrogen Oxides (NO _x)	Tonnes	527	622	889
	Sulphur Dioxide (SO ₂)	Tonnes	585	620	489
	Methane (CH ₄)	Tonnes	2,745	2,497	2,565
	Volatile Organic Compounds (VOC)	Tonnes	318	268	428
Particulate Matter (PM)	Tonnes	16	24	25	
Methane (CH ₄) Intensity ⁵	Tonnes CO ₂ e/boe	0.0037	0.0031	0.0028	
% Methane (CH ₄) of total scope 1 emissions	%	23	21	19	
% covered under emissions-limiting regulations	%	100	100	100	



		Units	2022	2023	2024
Environment					
Water	Total water used	m ³	630,653	778,670	866,349
	Fresh surface water withdrawal	m ³	598,249	728,216	837,955
	Fresh ground water withdrawal	m ³	25,684	35,219	22,427
	Third-party water	m ³	6,720	15,235	5,967
	Produced water (including flowback) ³⁰	m ³	548,052	727,037	897,889
	Flowback water	m ³	72	69	45
	Produced water	m ³	28	31	55
	Total water used intensity ⁵	m ³ /boe	0.031	0.035	0.033
	Fresh water as % of total water use ^{30, 31}	%	99	98	99
	Water vapour returned to atmosphere	m ³	398,649	393,589	445,005
	Water consumed in areas with High or Extremely High Baseline Water Stress ⁸	m ³	0	0	0
	Water withdrawn from regions with High or Extremely High Baseline Water Stress ⁸	m ³	0	0	0
	Hydraulically fractured wells for which there is public disclosure of all fracturing fluid chemicals used ⁹	%	100	100	100
	Hydraulic fracturing sites where ground or surface water quality deteriorated compared to a baseline	%	0	0	0
Land	Total net wells	#	335	360	695
	Number of producing wells ¹⁰	#	285	293	463
	Number of non-producing wells ¹⁰	#	50	67	232
	LMR rating ¹¹	#	28.4	27.9	20.1
	Net wells abandoned	#	4	2	2
	Active site reclamation ongoing	#	123	126	239
	Reclamation certificates received	#	6	10	5
	Abandonment and reclamation spending	\$000	2,215	4,043	3,059
Human Rights	Proved and probable reserves in or near areas of conflict	%	0	0	0
	Proved and probable reserves in or near Indigenous land ¹²	%	0	0	0
Waste¹³	DOW				
	Solids	Tonnes	Not available	0	8
	Liquids	m ³	Not available	6,202	8,807
	Non-DOW Drilling and Completions				
	Solids	Tonnes	Not available	21,538	19,146
Liquids	m ³	Not available	23,854	9,454	



		Units	2022	2023	2024
Environment					
Spill Prevention/Management	Reportable spills and releases ¹⁴	#	0	0	0
	Non reportable spills and releases	#	6	10	8
	Total volume of reportable spills and releases ¹⁴	m ³	0	0	0
	Total volume of non reportable spills and releases	m ³	1.0	5.6	4.1
	Volume of liquid handled	bbls	4,922,231	6,018,500	9,157,868
	Spill intensity (reportable and non-reportable)	bbls/1000 bbls handled	0.001	0.002	0.001
Community Engagement					
Value Distributed	Suppliers ¹⁵	\$000	378,998	439,969	511,599
	Providers of Capital ¹⁶	\$000	18,040	27,519	40,822
	Government & Regulatory ¹⁷	\$000	108,732	49,620	60,292
	Employees ¹⁸	\$000	29,668	29,380	31,206
	Landowners ¹⁹	\$000	7,305	3,329	3,195
	Communities ^{20, 30}	\$000	233	284	270
	Advocacy	\$000	127	208	191
	Donations	\$000	106	76	79
	Political contributions	\$000	0	0	0
Health and Safety					
Total Recordable Injury Frequency (TRIF)	Contractor	per 200,000 man hours	0.89	0.58	0.09
		#	8	6	1
	Employee	per 200,000 man hours	0.00	0.00	0.00
		#	0	0	0
	Total recordable injury rate ²¹	per 200,000 man hours	0.89	0.58	0.09
Lost Time Injury Frequency (LTIF)	Contractor ³⁰	per 200,000 man hours	0.11	0.10	0.00
		#	1	1	0
	Employee	per 200,000 man hours	0.00	0.00	0.00
		#	0	0	0
	Total lost time injury rate ²²	per 200,000 man hours	0.00	0.10	0.00
Disabling Injury Frequency	Contractor	per 200,000 man hours	0.56	0.38	0.09
		#	5	4	1
	Employee	per 200,000 man hours	0.00	0.00	0.00
		#	0	0	0
	Total disabling injury rate ²³	per 200,000 man hours	0.56	0.38	0.09
Fatalities	Contractor	#	0	0	0
	Employee	#	0	0	0



		Units	2022	2023	2024
Health and Safety					
Leading Indicator Frequency	Total hours worked ²⁴	Hours	1,788,010	2,079,292	2,510,365
	Hazard ID and job observations	#	3,443	3,403	3,511
	Leading Indicator frequency rate ²⁵	per 200,000 man hours	385.12	327.32	279.72
Near Miss	Contractor	#	4	0	0
	Employee	#	0	1	0
	Near Miss Frequency Rate ²⁶	per 200,000 man hours	0.45	0.10	0.00
Governance					
Board Diversity	Female	%	33	33	30
	Male	%	67	67	70
	Age 30-50	#	1	1	3
	Age 51-70	#	6	7	7
	Age Over 70	#	2	1	0
	Independent	#	7	7	9
	Not Independent	#	2	2	1
	Tenure 0-5 years	#	5	6	9
	Tenure 6-10 years	#	1	1	1
	Tenure Over 11 years	#	3	2	0
Our People					
Employee Profile	Total employees	#	53	61	84
	Full time employees	#	53	61	82
	Part time employees	#	0	0	2
	Total contractors	#	53	67	109
	New employees hired	#	10	17	31
	Average employee tenure	Years	6	5	4
	Voluntary turnover ²⁷	#	0	8	10
	Involuntary turnover	#	1	1	2
	Employees covered under collective bargaining agreements	%	0	0	0



		Units	2022	2023	2024
Our People					
Employee Diversity	Female	%	25	30	29
	Male	%	75	70	71
	Age under 30	%	7	10	11
	Age 30-50	%	53	52	61
	Age over 50	%	40	38	28
	Visible minority employees ²⁸	%	17	16	15
	Females in senior leadership positions (above manager)	#	1	0	0
	Females in leadership positions (manager and above)	#	1	3	3
	Females in STEM positions ²⁹	%	42	28	29
	Total new female employee hires	#	4	7	7
	Total new visible minority employee hires	#	2	4	5
	Total new hires under 30	#	3	5	5
	Total new hires 30-50	#	6	9	21
	Total new employee hires over 50	#	1	3	5
	Total internal promotions	#	13	6	6
	Total internal female promotions	#	1	3	0
	Total internal visible minority promotions	#	3	0	2
Parental Leave	Total employees entitled to parental leave	#	53	61	84
	Total employees that took parental leave	#	1	1	1
Training	Spending on training	\$	35,391	52,690	61,121
	Training per employee	\$/person	668	864	728
	Training per staff	\$/person	334	412	317

1. Financial data is reported in accordance with International Financial Reporting Standards (IFRS), representing generally accepted accounting principles (GAAP) for publicly accountable enterprises in Canada.

2. Non-GAAP financial measures do not have any standardized meaning prescribed under IFRS and therefore may not be comparable to similar measures presented by other entities. Non-GAAP financial measures should not be considered to be more meaningful than GAAP measures which are determined in accordance with IFRS, such as net income and comprehensive income, cash provided by operating activities, and cash used in investing activities, as indicators of the Corporation's performance. Please see "Specified Financial Measures" in Advantage's Management's Discussion & Analysis for the applicable year, for the composition of such specified financial measure, an explanation of how such specified financial measure provides useful information to a reader and the purposes for which Management of Advantage uses the specified financial measure, and/or where required, a reconciliation of the specified financial measure to the most directly comparable IFRS measure.

3. Gross operated production includes third-party production volumes processed at Advantage-owned facilities, and is the denominator used for all per boe intensity calculations (excluding spill).

4. Upstream is defined as wells, gathering stations and lines, field compression and related production facilities.

5. All intensity calculations use "Operated production, gross" volume.

6. Midstream is defined as processing facilities such as gas plants.

7. Emissions reductions reflect post-combustion CO₂ captured with Entropy technology and pre-combustion removal of CO₂ and H₂S from the raw gas stream. All captured gases are injected into permanent underground geological storage.

8. Locations determined using the World Resources Institute's (WRI) Water Risk Atlas Tool.

9. Fracturing chemicals are disclosed through the Alberta Energy Regulator (AER) Digital Data Submission (DDS) System, and made publicly available on the AER's Hydraulic Fracture Fluid Composition Data Tableau report.

10. Number of producing and non-producing wells include only "net" oil and gas wells as stated in Advantage's Annual Information Form.

11. LMR rating does not include the asset acquisition completed June 24, 2024. 2024 is the final year the AER will assign a LMR.

12. Advantage defines Indigenous lands as First Nation Reserves and Métis Settlements. Advantage does not have any of our core operations within such Indigenous lands, although a portion lies within the traditional territory occupied by Treaty 8 lands. Advantage works in conjunction with the Aboriginal Consultation Office to consult with Indigenous communities throughout the lifecycle of our operations.

13. Information has been restated based on improved data collection methodology and only includes waste from drilling and completions activities directed to a third-party waste processing company and does not include waste from construction activities due to current data availability.

14. Reportable spills and releases are defined by AER's Release Reporting Requirements.

15. Value distributed to suppliers includes operating and transportation expenses and capital expenditures paid to suppliers other than employees, government, landowners, and communities.

16. Value distributed to provider of capital includes interest.

17. Value distributed to government includes crown royalty, corporation income tax, property tax, business tax, government license, fees, and permits.

18. Value distributed to employees include salaries, benefits, bonus, and long-term incentives.

19. Value distributed to landowners includes royalty obligations associated with non-Crown owned lands.

20. Includes all donations, advocacy initiatives, and scholarships.

21. Total recordable injury frequency is the ratio of recordable injuries to hours worked, normalized based on 100 workers over the year.

22. Lost time injury frequency is the ratio of lost time injuries to hours worked, normalized based on 100 workers over the year.

23. Disabling injury frequency is the ratio of disabling injuries to hours worked, normalized based on 100 workers over the year.

24. Total hours worked are calculated based on the Canadian Association of Petroleum Producers Guide for Health and Safety Performance Metrics.

25. Leading indicator frequency is a calculation of number of Hazard Identifications and Job Observations by 200,000 hours worked over the total employee hours.

26. Near miss frequency rate is a calculation of number of unplanned events that did not result in injury, illness, or damage by 200,000 hours worked over the total employee hours.

27. Voluntary turnover includes retirements.

28. Visible minority is defined as persons, other than Aboriginal Peoples, who are non-Caucasian in race or non-white in colour (Statistics Canada 2021, Visible minority of person).

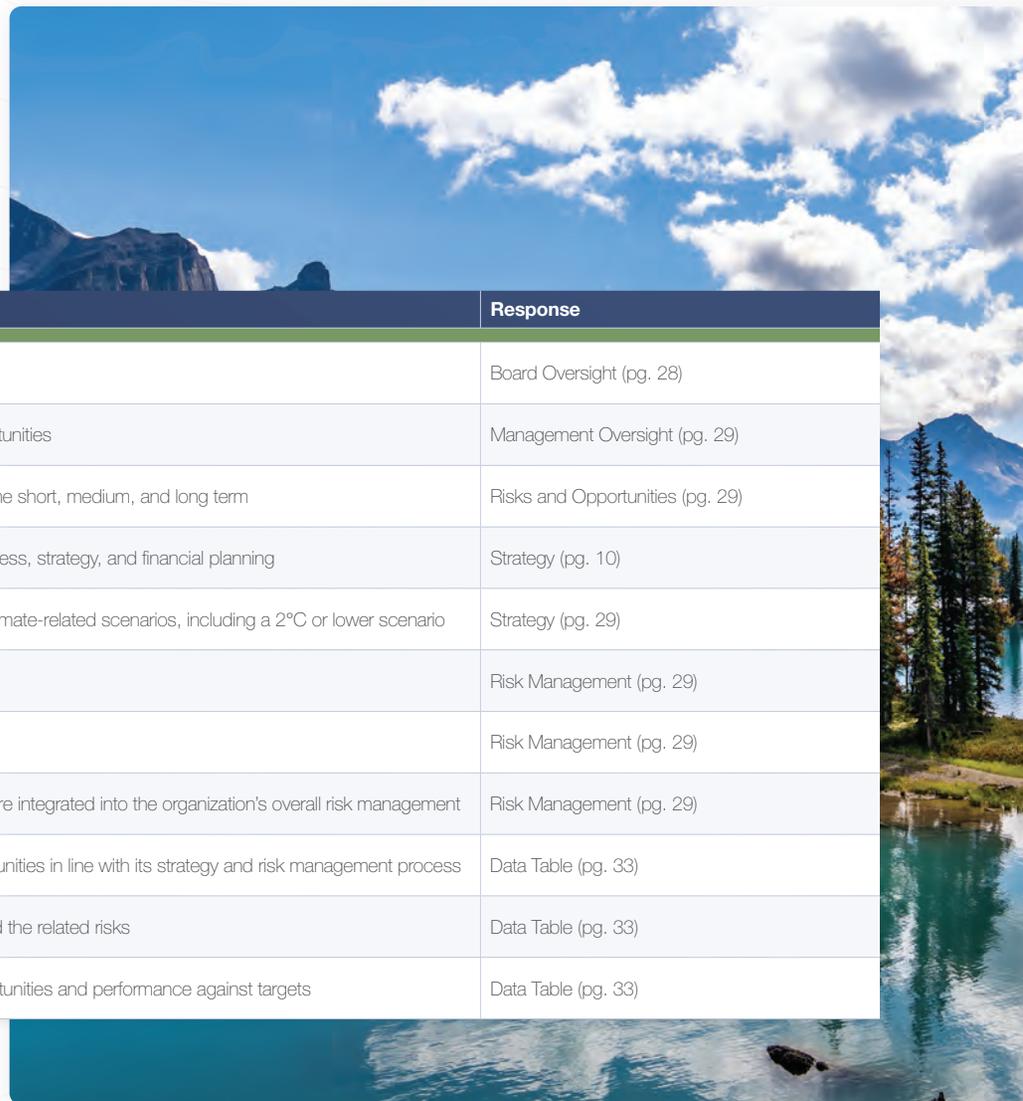
29. Science, Technology, Engineering, and Math (STEM), based on Statistics Canada 2016 Census definition. Percent of females in STEM positions against total number of females in the Company.

30. 2022 information has been restated to reflect a correction in data.

31. 2023 information has been restated to reflect a correction in data.



Task Force on Climate-Related Financial Disclosures (TCFD)



Category	Disclosure	Response
Governance (a)	Describe the board's oversight of climate-related risks and opportunities	Board Oversight (pg. 28)
Governance (b)	Describe management's role in assessing and managing climate related risks and opportunities	Management Oversight (pg. 29)
Strategy (a)	Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long term	Risks and Opportunities (pg. 29)
Strategy (b)	Describe the impact of climate-related risks and opportunities on the organization's business, strategy, and financial planning	Strategy (pg. 10)
Strategy (c)	Describe the resilience of the organization's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario	Strategy (pg. 29)
Risk Management (a)	Describe the organization's processes for identifying and assessing climate-related risks	Risk Management (pg. 29)
Risk Management (b)	Describe the organization's processes for managing climate-related risks	Risk Management (pg. 29)
Risk Management (c)	Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management	Risk Management (pg. 29)
Metrics and Targets (a)	Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process	Data Table (pg. 33)
Metrics and Targets (b)	Disclose Scope 1, Scope 2, and if appropriate, Scope 3 greenhouse gas emissions and the related risks	Data Table (pg. 33)
Metrics and Targets (c)	Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets	Data Table (pg. 33)



SASB Index

Advantage Energy Ltd. reports in accordance with the SASB Sustainable Industry Classification System from EM - Extractives and Minerals Processing Sector: Oil and Gas - Exploration and Production (EP).

Code	Metric	Category	Unit of Measure	Response
Greenhouse Gas Emissions				
EM-EP-110a.1	Gross global Scope 1 emissions, percentage methane, percentage covered under emissions-limiting regulations	Quantitative	Metric tons CO ₂ e (t), Percentage (%)	Data Table (pg. 33) Air (pg. 15)
EM-EP-110a.2	Amount of gross global Scope 1 emissions from: (1) flared hydrocarbons, (2) other combustion, (3) process emissions, (4) other vented emissions and (5) fugitive emissions	Quantitative	Metric tons CO ₂ e	Data Table (pg. 33) Air (pg. 15)
EM-EP-110a.3	Discussion of long- and short-term strategy or plan to manage Scope 1 emissions, emissions reduction targets, and an analysis of performance against those targets	Discussion and Analysis	N/A	Data Table (pg. 33) Air (pg. 15) About Entropy (pg. 8)
Air Quality				
EM-EP-120a.1	Direct energy consumption	Quantitative	Metric tons (t)	Data Table (pg. 33)
Water Management				
EM-EP-140a.1	(1) Total water withdrawn, (2) total water consumed; percentage of each in regions with High or Extremely High Baseline Water Stress	Quantitative	Thousand cubic metres (m ³), Percentage (%)	Data Table (pg. 33) Water (pg. 16)
EM-EP-140a.2	Volume of produced water and flowback generated; percentage (1) discharged, (2) injected, (3) recycled; hydrocarbon content in discharged water	Quantitative	Thousand cubic metres (m ³), Percentage (%), Metric tons (t)	Data Table (pg. 33) Water (pg. 16)
EM-EP-140a.3	Percentage of hydraulically fractured wells for which there is public disclosure of all fracturing fluid chemicals used	Quantitative	Percentage (%)	Data Table (pg. 33)
EM-EP-140a.4	Percentage of hydraulic fracturing sites where ground or surface water quality deteriorated compared to a baseline	Quantitative	Percentage (%)	Data Table (pg. 33)
Biodiversity Impacts				
EM-EP-160a.1	Description of environmental management policies and practices for active sites	Discussion and Analysis	N/A	Land (pg. 18)
EM-EP-160a.2	Number and aggregate volume of hydrocarbon spills, volume in Arctic, volume impacting shorelines with ESI rankings 8-10, and volume recovered	Quantitative	Number, Barrels (bbls)	Data Table (pg. 33) Spill Prevention and Management (pg. 19)
Security, Human Rights and Rights of Indigenous Peoples				
EM-EP-210a.1	Percentage of (1) proved and (2) probable reserves in or near areas of conflict	Quantitative	Percentage (%)	Data Table (pg. 33) Advantage's Annual Information Form
EM-EP-210a.2	Percentage of (1) proved and (2) probable reserves in or near Indigenous land	Quantitative	Percentage (%)	Data Table (pg. 33) Advantage's Annual Information Form
EM-EP-210a.3	Discussion of engagement processes and due diligence practices with respect to human rights, Indigenous rights, and operation in areas of conflict	Discussion and Analysis	N/A	Indigenous Engagement (pg. 33) Indigenous Scholarship Program 2024 Advantage Modern Slavery Reporting



Code	Metric	Category	Unit of Measure	Response
Community Relations				
EM-EP-210b.1	Discussion of process to manage risks and opportunities associated with community rights and interests	Discussion and Analysis	N/A	Stakeholder Engagement (pg. 23)
Workforce Health and Safety				
EM-EP-320a.1	(1) Total recordable incident rate (TRIR), (2) fatality rate, (3) near miss frequency rate (NMFR), and (4) average hours of health, safety, and emergency response training for (a) full-time employees, (b) contract employees, and (c) short-service employees	Quantitative	Rate, Hours (h)	Data Table (pg. 33) Health and Safety (pg. 21)
EM-EP-320a.2	Discussion of management systems used to integrate a culture of safety throughout the exploration and production lifecycle	Discussion and Analysis	N/A	Health and Safety (pg. 21)
Reserves Valuation and Capital Expenditures				
EM-EP-420a.4	Discussion of how price and demand for hydrocarbons or climate regulation influence the capital expenditure strategy for exploration, acquisition and development of assets	Discussion and Analysis	N/A	Risks and Opportunities (pg. 10)
Business Ethics and Transparency				
EM-EP-510a.1	Percentage of (1) proved and (2) probable reserves in countries that have the 20 lowest rankings in Transparency International's Corruption Perception Index	Quantitative	Percentage (%)	0 - No reserves in countries with the lowest rankings
EM-EP-510a.2	Description of the management system for prevention of corruption and bribery throughout the value chain	Discussion and Analysis	N/A	Business Ethics (pg. 30) Code of Business Conduct and Ethics
Management of the Legal and Regulatory Environment				
EM-EP-530a.1	Discussion of corporate positions related to government regulations and/or policy proposals that address environmental and social factors affecting the industry	Discussion and Analysis	N/A	Risks and Opportunities (pg. 10) Advantage's Annual Information Form
Critical Incident Risk Management				
EM-EP-540a.1	Process Safety Event (PSE) rates for Loss of Primary Containment (LOPC) of greater consequence (Tier 1)	Quantitative	Rate	Data Table (pg. 33)
EM-EP-540a.2	Description of management systems used to identify and mitigate catastrophic and tail-end risks	Discussion and Analysis	N/A	Spill Prevention and Management (pg. 19) Asset Integrity (pg. 19) Health and Safety (pg. 21)
Activity Metrics				
EM-EP-000.A	Production of: (1) oil, (2) natural gas, (3) synthetic oil, and (4) synthetic gas	Quantitative	Thousand barrels per day (Mbbbl/day); Million standard cubic feet per day (MMscf/day)	Data Table (pg. 33)
EM-EP-000.B	Number of offshore sites	Quantitative	Number	Not applicable
EM-EP-000.C	Number of terrestrial sites	Quantitative	Number	Advantage's Operations Advantage's Annual Information Form

GRI Index

Advantage Energy Ltd. has reported in accordance with the GRI Standards for the period January 1, 2024 to December 31, 2024.

Number	Disclosure	Response
GRI 2: General Disclosures 2021		
1. The Organization and its Reporting Practices		
2-1	Organizational Details	About Advantage (pg. 7)
2-2	Entities included in the organization's sustainability reporting	About this Report (pg. 9)
2-3	Reporting period, frequency and contact point	About this Report (pg. 9)
2-4	Restatements of information	All restated information is noted.
2-5	External assurance	About this Report (pg. 9)
2. Activities and Workers		
2-6	Activities, value chain and other business relationships	Advantage's Annual Information Form
2-7	Employees	Data Table (pg. 33)
2-8	Workers who are not employees	Data Table (pg. 33)
3. Governance		
2-9	Governance structure and composition	Advantage's Management Information Circular
2-10	Nomination and selection of the highest governance body	
2-11	Chair of the highest governance body	
2-12	Role of the highest governance body in overseeing the management of impacts	
2-13	Delegation of responsibility for managing impacts	
2-14	Role of the highest governance body in sustainability reporting	
2-15	Conflicts of interest	
2-16	Communication of critical concerns	
2-17	Collective knowledge of the highest governance body	
2-18	Evaluation of the performance of the highest governance body	
2-19	Remuneration policies	
2-20	Process to determine remuneration	
2-21	Annual total compensation ratio	



Number	Disclosure	Response
GRI 2: General Disclosures 2021		
4. Strategy, Policies and Practices		
2-22	Statement on sustainable development strategy	Message from the President and CEO (pg. 4)
2-23	Policy commitments	Advantage Energy's Code of Business Conduct and Ethics
2-24	Embedding policy commitments	Advantage's Annual Information Form
2-26	Mechanisms for seeking advice and raising concerns	Advantage Energy's Code of Business Conduct and Ethics
2-28	Membership associations	Advocacy (pg. 24)
5. Stakeholder Engagement		
2-29	Approach to stakeholder engagement	Stakeholder Engagement (pg. 23)
GRI 201: Economic Performance 2016		
201-1	Direct economic value generated and distributed	Data Table (pg. 33)
201-2	Financial implications and other risks and opportunities due to climate change	Risks and Opportunities (pg. 10) Advantage's Annual Information Form
201-4	Financial assistance received from government	Advantage's Financial Statements https://www.advantageog.com/wp-content/uploads/Consolidated-Financial-Statements.pdf
GRI 205: Anti-Corruption 2016		
205-2	Communication and training about anti-corruption policies and procedures	Business Ethics (pg. 30)
GRI 302: Energy 2016		
302-1	Energy consumption within the organization	Data Table (pg. 33) Air (pg. 15)
302-3	Energy intensity	Data Table (pg. 33) Air (pg. 15)
302-4	Reduction of energy consumption	Data Table (pg. 33) Air (pg. 15)



Number	Disclosure	Response
GRI 303: Water and Effluents 2018		
303-1	Interactions with water as a shared resource	Water (pg. 16)
303-2	Management of water discharge-related impacts	Water (pg. 16)
303-3	Water withdrawal	Data Table (pg. 33) Water (pg. 16)
303-4	Water discharge	Data Table (pg. 33) Water (pg. 16)
303-5	Water consumption	Data Table (pg. 33) Water (pg. 16)
GRI 101: Biodiversity 2024		
101-2	Management of biodiversity impacts	Land (pg. 18)
GRI 305: Emissions 2016		
305-1	Direct (Scope 1) GHG emissions	Data Table (pg. 33) Air (pg. 15)
305-2	Energy indirect (Scope 2) GHG emissions	
305-4	GHG emission intensity	
305-5	Reduction of GHG emissions	
305-7	Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	
GRI 306: Waste 2020		
306-1	Waste generation and significant waste-related impacts	Data Table (pg. 33) Waste (pg. 17)
306-2	Management of significant waste-related impacts	
306-3	Waste generated	
306-4	Waste diverted from disposal	
306-5	Waste directed to disposal	



Number	Disclosure	Response
GRI 401: Employment		
401-1	New employee hires and employee turnover	Data Table (pg. 33)
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	Our People (pg. 25)
401-3	Parental leave	Data Table (pg. 33)
GRI 403: Occupational Health and Safety 2018		
403-1	Occupational health and safety management system	Health and Safety (pg. 21)
403-2	Hazard identification, risk assessment, and incident investigation	Data Table (pg. 33) Health and Safety (pg. 21)
403-4	Worker participation, consultation, and communication on occupational health and safety	Health and Safety (pg. 21)
403-5	Worker training on occupational health and safety	Health and Safety (pg. 21)
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Health and Safety (pg. 21)
403-8	Workers covered by an occupational health and safety management system	Health and Safety (pg. 21)
403-9	Work-related injuries	Data Table (pg. 33) Safety Performance (pg. 22)
GRI 404: Training and Education 2016		
404-1	Average hours of training per year	Data Table (pg. 33) Our People (pg. 25)
404-2	Programs for upgrading employee skills and transition assistance programs	Our People (pg. 25)
404-3	Percentage of employees receiving regular performance and career development reviews	Our People (pg. 25)
GRI 405: Diversity and Equal Opportunity 2016		
405-1	Diversity of governance bodies and employees	Data Table (pg. 33) Board Diversity (pg. 28)
GRI 413: Local Communities 2016		
413-1	Operations with local community engagement, impact assessments, and development programs	Stakeholder Engagement (pg. 23)
GRI 414: Supplier Social Assessment 2016		
414-1	New suppliers that were screened using social criteria	Contractor Management (pg. 22) 2024 Advantage Modern Slavery Reporting
GRI 415: Public Policy 2016		
415-1	Political contributions	Data Table (pg. 33)



Glossary of Terms and Acronyms

ABSA	Alberta Boilers Safety Association
AER	Alberta Energy Regulator
AIF	Annual Information Form
Barrel of Oil Equivalent (BOE)	A BOE conversion ratio of six thousand cubic feet of natural gas equivalent to one barrel of oil (6 Mcf: 1 bbl).
Carbon Capture and Storage (CCS)	The process of recovering and capturing carbon dioxide from industrial processes and permanently storing it underground, with the purpose of preventing its release into the atmosphere.
CGF	Canada Growth Fund
CO₂	Carbon dioxide
Compressor	A mechanical device that increases the pressure of a gas by reducing its volume, used for various purposes such as powering pneumatic devices, cooling systems, and producing compressed air for industrial purposes.
Certificate of Recognition (COR)	Certificate of recognition that is awarded to employers who develop efficient health and safety management systems which meet the provincial standards.
DGB	Dynamic Gas Blending
DOW	Dangerous Oilfield Waste
Emission Intensity	A measure of the amount of greenhouse gas emissions per unit of activity, production, or output.
EAP	Employee and Family Assistance Program
EPAC	The Explorers and Producers Association of Canada
ERAC	Emergency Response Assistance Canada
ERM	Enterprise Risk Management
ERP	Emergency Response Plan
ESG	Environment, Social, and Governance
FEED	Front-End Engineering Design
Flaring	The controlled burning of natural gas or waste gas at a flare stack during production and processing and, when required, to safely relieve pressure during upsets or emergency situations.

Flowback	The recovered hydraulic fracturing fluid that returns to the surface during a hydraulic fracturing operation that may often be mixed with produced water.
GAAP	Generally Accepted Accounting Principles
Greenhouse Gas (GHG)	Gas that contributes to the greenhouse effect by absorbing infrared radiation.
GRI	Global Reporting Initiative
H₂S	Hydrogen sulfide
Hazard ID	A tool used to report physical hazards or conditions.
Hydraulic Fracturing	The process of injecting high-pressure liquid into an oil- or gas-bearing rock formation to create fractures for extraction.
IFRS	International Financial Reporting Standards
Internal Promotion	Transfers to roles with increased responsibility and accountability.
Liability Management Rating (LMR)	A ratio of a company's deemed assets (production) to its deemed liabilities (abandonment and reclamation costs). 2024 is the final year the AER will assign a LMR Rating.
Man-Down Exercise	An emergency response exercise simulation that affects one individual who needs immediate medical intervention.
LTIF	Lost-Time Incident Frequency
MD&A	Management Discussion and Analysis
Montney Formation	The stratigraphical unit of Lower Triassic age in the Western Canadian Sedimentary Basin in Alberta and British Columbia.
PEIM System	Pressure Equipment Integrity Management System
Pneumatic Device	A type of device that regulates the supply of pressure to an actuator or control loop, which opens, closes, or positions a valve to regulate the flow of oil, gas, or any other production/process fluid.
Pre-Combustion Carbon Capture	Removal and capture of CO ₂ occurring as a byproduct of chemical, metallurgical and mineral transformation.
Produced Water	Water (brine) that is obtained from the hydrocarbon bearing formation strata during the extraction of oil and gas. Produced water can include formation water, injection water, and any chemicals added downhole or during the oil/water separation process.



Post-Combustion Carbon Capture	Removal and capture of CO ₂ emissions occurring from combustion of fuel.
Reclamation	The process of reconvertng disturbed land to its former or other productive state.
Remediation	The removal, reduction, or neutralization of substances, wastes, or hazardous material from a site so as to prevent or minimize any adverse effects on the environment now or in the future.
Reportable Spill	A spill that requires reporting to an external regulatory agency based on the regulatory definition of a reportable spill in the jurisdiction where the spill occurred.
SASB	Sustainability Accounting Standards Board
Scenario Analysis	A method for developing strategic plans that are more flexible or robust to a range of plausible future states.
Staff	Staff includes employees and contracted personnel.
STEM	Technical disciplines of Science, Technology, Engineering and Math.
STIP	Short term incentive plan
Tabletop Emergency Response Exercise	An emergency response exercise that is presented by a facilitator in an informal setting with no hands-on practice. The purpose is to generate discussion surrounding various issues regarding a hypothetical, simulated emergency.
TCFD	Task Force on Climate-Related Disclosures
tCO₂e	Tonnes of carbon dioxide equivalent
tpa	Tonnes per annum

TRIF	Total Recordable Incident Frequency
TSR	Total Shareholder Return
Venting	A controlled release of gases into the atmosphere during production.
Waste Heat Recovery	The process of recovering thermal energy discharged by industrial equipment and reusing the heat energy that would otherwise be expelled to the environment.
WCB	Worker's Compensation Board
WCSS	Western Canada Spill Services



Forward-Looking Statements

This Sustainability Report contains certain forward-looking statements and forward-looking information (collectively, "forward-looking statements"), which are based on our current internal expectations, estimates, projections, assumptions and beliefs. These forward-looking statements relate to future events or our future performance. All statements other than statements of historical fact may be forward-looking statements. Forward-looking statements are often, but not always, identified by the use of words such as "seek", "anticipate", "plan", "continue", "estimate", "expect", "may", "will", "project", "predict", "potential", "targeting", "intend", "could", "might", "should", "believe", "would" and similar or related expressions. These statements are not guarantees of future performance.

In particular, forward-looking statements in this Sustainability Report include, but are not limited to, statements about our strategy, plans, objectives, priorities and focus and the benefits to be derived therefrom; Advantage's goal of emissions mitigation; the anticipated timing of the completion and onstream dates of Phase 2 of Entropy's Glacier Gas Plant and the anticipated benefits to be derived therefrom, including the anticipated CO₂ capture capacity thereof; that Advantage continues to prioritize health and safety and the anticipated benefits thereof; Advantage's ongoing stakeholder engagement and the anticipated benefits thereof; that Advantage is strategically positioned to meet the growing demand for reliable and affordable energy, while pursuing responsible growth; Advantage's mission; Advantage's multi-faceted approach to sustainability; expectations that Advantage's acquired liquids-weighted assets enhance our scale, operating efficiency, long-term sustainability and ability to deliver

enduring value for shareholders and stakeholders; the anticipated benefits to be derived from Entropy's MCCS™ and iCCS™ technologies; that Entropy will develop third-party CCS projects; Advantage's targeted reduction in sites under active management and remediation; Advantage's expectations regarding future oil and gas demand; Advantage's ability to mitigate certain climate, political / legal, technological, market and reputational risks; the resource efficiency, energy source, products and services and market opportunities available to Advantage; the anticipated benefits to be derived from Advantage's longer wells; that Advantage will seek opportunities to reduce, reuse, recycle and recover wherever possible; that Advantage will conduct enterprise risk planning exercises and rigorous disaster recovery procedures and the anticipated benefits thereof; and other matters.

With respect to forward-looking statements contained in this Sustainability Report, in addition to other assumptions identified herein, Advantage has made assumptions regarding, but not limited to: future commodity prices including oil and natural gas; conditions in general economic and financial markets; effects of regulation by governmental agencies; receipt of required stakeholder and regulatory approvals; royalty regimes; future exchange rates; royalty rates; future operating costs; availability of skilled labour; availability of drilling and related equipment; timing and amount of capital expenditures; the impact of increasing competition; that Advantage will have sufficient cash flow, debt or equity sources or other financial resources required to fund its capital and operating expenditures and requirements as needed; that Advantage's conduct and results of operations will be consistent with its expectations; that Advantage will have the ability to develop its crude oil and natural gas properties in the manner currently contemplated; availability of pipeline capacity; that current or, where applicable, proposed assumed industry conditions, laws and regulations will continue in effect or as anticipated as described herein; that Advantage will be able to realize the anticipated benefits of the Glacier Gas Plant; the availability of government initiatives to Entropy; that Entropy will achieve



effective capitalization and commercial agreements; that effective carbon policies will be established in Canada; the timing and amount of capital expenditures; that Entropy will have the ability to develop projects in the manner currently contemplated; that Entropy's MCCS™ and iCCS™ technologies will lead to the benefits anticipated; that Advantage will be able to realize the anticipated benefits of the acquired liquids-weighted assets; and that Entropy will be able to develop third party CCS projects.

These forward-looking statements involve substantial known and unknown risks and uncertainties, many of which are beyond our control, including, but not limited to, risks related to changes in general economic, market and business conditions; volatility in market prices for oil and natural gas; the impact of significant declines in market prices for oil and natural gas; stock market volatility; changes to legislation and regulations and how they are interpreted and enforced; Advantage's ability to comply with current and future environmental or other laws; actions by governmental or regulatory authorities including increasing taxes, regulatory approvals, changes in investment or other regulations; changes in tax laws, royalty regimes and incentive programs relating to the oil and gas industry; the effect of acquisitions; our success at acquisition, exploitation and development of reserves; unexpected drilling results; failure to achieve production targets

on timelines anticipated or at all; changes in commodity prices, currency exchange rates, capital expenditures, reserves or reserves estimates and debt service requirements; the occurrence of unexpected events involved in the exploration for, and the operation and development of, oil and gas properties; hazards such as fire, explosion, blowouts, cratering, and spills, each of which could result in substantial damage to wells, production facilities, other property and the environment or in personal injury; changes or fluctuations in production levels; individual well productivity; delays in anticipated timing of drilling and completion of wells; lack of available capacity on pipelines; delays in obtaining stakeholder and regulatory

approvals; the failure to extend the credit facilities at each annual review; competition from other producers; the lack of availability of qualified personnel or management; ability to access sufficient capital from internal and external sources; current and future carbon prices and royalty regimes; tariffs; political uncertainty, conflicts or other adverse economic or political developments globally; the risk that Entropy's conduct and results of operations may not be consistent with its expectations; the risk that Entropy may not develop and deploy its projects in the manner currently contemplated; the risk that Advantage's emissions intensity may increase; the risk that Phase 2 of Entropy's Glacier Gas Plant may not be completed or come onstream when anticipated, or at all, or result in the anticipated benefits thereof; the risk that Advantage may not meet the demand for reliable and affordable energy, while pursuing responsible growth; the risk that Advantage may not be able to realize the anticipated benefits of its acquired liquids-weighted assets; the risk that Advantage may not prioritize health and safety or realize the anticipated benefits thereof; the risk that Advantage may not diversify its production or enhance long-term sustainability; the risk that Entropy's MCCS™ and iCCS™ technologies may not lead to the benefits anticipated; the risk that Entropy may not develop third-party CCS projects when anticipated, or at all; the risk that Advantage may not mitigate certain climate, political / legal, technological, market and reputational risks; the risk that Advantage may not realize the resource efficiency, energy source, products and services and market opportunities available to it; the risk that Advantage's longer wells may not yield higher initial productivity and ultimate recovery; the risk that Advantage's emission intensity may not decrease; the risk that Advantage may not conduct enterprise risk planning exercises and rigorous disaster recover procedures or realize the anticipated benefits thereof; the risks disclosed under "Risks and Opportunities" in this Sustainability Report; and the risks and uncertainties described in the Corporation's Annual Information Form which is available at www.sedarplus.ca and www.advantageog.com.



Readers are also referred to risk factors described in other documents Advantage files with Canadian securities authorities.

In addition, in respect of the sustainability and ESG-related matters contained in this document, the Corporation cautions the reader of the following:

- This Sustainability Report contains references to sustainability and ESG related data, including data obtained from third-party sources. The Corporation's use of third-party data cannot be taken as an endorsement of the third-party or its data or be construed as granting any form of intellectual property. Although the Corporation believes these sources are reliable, the Corporation has not independently verified all third-party data, or assessed the assumptions underlying such data, and cannot guarantee their accuracy. The data used by the Corporation in connection with its sustainability and ESG-related disclosures may be limited in quantity, unavailable, or inconsistent across sectors. Certain third-party data may also change over time as sustainability and ESG standards evolve. These factors could have a material effect on the Corporation's sustainability and ESG-related objectives and the ability to meet them.
- This document employs sustainability and ESG-related standards, frameworks and criteria, metrics and concepts ("**ESG Methodologies**"), including the Sustainability Accounting Standards Board, the Global Reporting Initiative Standards, the Task Force on Climate-Related Financial Disclosures and the Greenhouse Gas Reporting Protocol Standard. The Corporation has worked to align the relevant disclosures contained herein to the extent practical and reasonable with internationally recognized ESG Methodologies for ESG reporting, including with respect to climate related metrics, targets, risks and opportunities. However, these ESG Methodologies continue to evolve rapidly and are frequently based on calculation factors that change over time and, in some cases, applicable ESG Methodologies may not yet exist.

Readers are cautioned that ESG Methodologies used by other companies, may not be comparable. The Corporation may also update its sustainability and ESG objectives, its plans to achieve them and its progress toward them, as appropriate, in light of new and evolving ESG Methodologies.

- Certain statements in this document, including those related to targets, may be aspirational, as is made clear in the text. Achieving these targets and other aspirations depends on various assumptions, including about technological, economic, scientific, policy and legal trends and developments. As such, the information, the targets and aspirations set out in this document are subject to evolution, amendment, update and restatement over time.
- The terms "ESG" and "sustainability" and similar terms, taxonomies and criteria are evolving, and the Corporation's use of such terms may change to reflect such evolution.
- The market for carbon and clean energy instruments, including carbon offset credits, is still developing. The maturity, liquidity and economics of this market may make it more difficult than expected for the Corporation to achieve its sustainability and ESG-related objectives.

This is an evolving area, and as such the Corporation's historical statements may not reflect its current approach of sustainability-related practice. While the Corporation will continue to monitor and adapt its reporting accordingly, the Corporation is not under any duty to update or revise the related data or statements except as required by applicable securities laws.

Management has included the above summary of assumptions and risks related to forward-looking information provided in this Sustainability Report in order to provide a more complete perspective on Advantage's future operations and such information may not be appropriate for other purposes. Advantage's actual results, performance or achievement could differ materially from those expressed in, or implied by, these forward-looking statements and, accordingly, no assurance can be given that any



of the events anticipated by the forward-looking statements will transpire or occur, or if any of them do so, what benefits that Advantage will derive therefrom. Readers are cautioned that the foregoing lists of factors are not exhaustive. These forward-looking statements are made as of the date of this Sustainability Report and Advantage disclaims any intent or obligation to update publicly any forward-looking statements, whether as a result of new information, future events or results or otherwise, other than as required by applicable securities laws.

Oil & Gas Information

The term "boe" or barrels of oil equivalent and "Mcf" or thousand cubic feet equivalent may be misleading, particularly if used in isolation. A boe or Mcfe conversion ratio of six thousand cubic feet of natural gas equivalent to one barrel of oil (6 Mcf: 1 bbl) is based on an energy equivalency conversion method primarily applicable at the burner tip and does not represent a value equivalency at the wellhead. 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 conversion on a 6:1 basis may be misleading as an indication of value.

References to crude oil, NGLs and condensate, and natural gas in this Sustainability Report refer to the light crude oil and medium crude oil, natural gas liquids, and conventional natural gas, respectively, product types as defined in Natural Instrument 51-101 – Standards of Disclosure for Oil and Gas Activities.

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