

Welcome to your CDP Climate Change Questionnaire 2023

C0. Introduction

C0.1

(C0.1) Give a general description and introduction to your organization.

Baytex Energy is an oil and gas corporation based in Calgary, Alberta, Canada. We are engaged in the acquisition, development and production of crude oil and natural gas in the Western Canadian Sedimentary Basin and in the Eagle Ford in the United States. Approximately 84% of our production is weighted toward crude oil and natural gas liquids. Our common shares trade on the Toronto Stock Exchange and New York Stock Exchange under the symbol BTE.

Our crude oil and natural gas operations are organized into three business units: 1) United States, which includes the Eagle Ford in Texas (non-operated), 2) Light Oil, which includes the Viking in Saskatchewan and the Duvernay in Alberta and 3) Heavy Oil, which includes Peace River, Peavine Clearwater and Lloydminster in Alberta and Saskatchewan. These business units have a portfolio of mineral leases, with operated and/or non-operated properties and development prospects. Within the business units, Baytex has established geographically-organized teams with a full complement of technical professionals. This comprehensive technical approach is intended to result in thorough identification and evaluation of exploration, development and acquisition opportunities and cost-effective execution of our business strategy. We endeavour to add value through internal property development and accretive acquisitions.

We believe that by acting as a responsible energy producer in all aspects of our operations, not just financially, we create long-term sustainable value for stakeholders. We focus on employee opportunities for personal growth, an improved quality of life in communities where we operate, business opportunities for Indigenous communities, and an attractive return on investment for shareholders. We believe that producing energy resources through efficient operations positively contributes to society by meeting the world's energy needs while minimizing our environment impacts. Developing oil and gas resources requires long-term commitment and cooperation. Openly sharing the company's Environmental, Social and Governance (ESG) performance with our stakeholders is important to achieving continued long-term success in resource development. Our efforts are focused on pragmatic and impactful opportunities to continuously improve our operational practices. We monitor our impacts, set meaningful target

to improve our performance and remain committed to transparent disclosures to our stakeholders.

Baytex has been reporting climate-related information since 2018, when the Task Force on Climate-Related Financial Disclosures (TCFD) first published its reporting framework. We continue to improve our TCFD climate disclosures to keep ahead of mandatory requirements. In 2023, the International Sustainability Standards Board (ISSB) released inaugural standards for climate-related financial disclosures that incorporate the TCFD.

C0.2

(C0.2) State the start and end date of the year for which you are reporting data and indicate whether you will be providing emissions data for past reporting years.

Reporting year

Start date

January 1, 2022

End date

December 31, 2022

Indicate if you are providing emissions data for past reporting years

Yes

Select the number of past reporting years you will be providing Scope 1 emissions data for

4 years

Select the number of past reporting years you will be providing Scope 2 emissions data for

4 years

Select the number of past reporting years you will be providing Scope 3 emissions data for

Not providing past emissions data for Scope 3

C0.3

(C0.3) Select the countries/areas in which you operate.

Canada

C0.4

(C0.4) Select the currency used for all financial information disclosed throughout your response.

CAD

C0.5

(C0.5) Select the option that describes the reporting boundary for which climate-related impacts on your business are being reported. Note that this option should align with your chosen approach for consolidating your GHG inventory.

Operational control

C-OG0.7

(C-OG0.7) Which part of the oil and gas value chain and other areas does your organization operate in?

Row 1

Oil and gas value chain

Upstream

Other divisions

C0.8

(C0.8) Does your organization have an ISIN code or another unique identifier (e.g., Ticker, CUSIP, etc.)?

Indicate whether you are able to provide a unique identifier for your organization	Provide your unique identifier
Yes, a Ticker symbol	BTE
Yes, a CUSIP number	0001279495

C1. Governance

C1.1

(C1.1) Is there board-level oversight of climate-related issues within your organization?

Yes

C1.1a

(C1.1a) Identify the position(s) (do not include any names) of the individual(s) on the board with responsibility for climate-related issues.

Position of individual or committee	Responsibilities for climate-related issues
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Director on board	Baytex's Reserves and Sustainability Committee is currently comprised of three members of the Board. One of the directors is appointed and acts as chair of this committee. In addition, the Human Resources and Compensation Committee of the Board have a role in adjudicating the Company's performance against the short-term incentive plan scorecard, which includes an annual GHG emissions reduction target.
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C1.1b

(C1.1b) Provide further details on the board's oversight of climate-related issues.

Frequency with which climate-related issues are a scheduled agenda item	Governance mechanisms into which climate-related issues are integrated	Please explain
Scheduled – all meetings	Reviewing and guiding annual budgets Overseeing major capital expenditures Overseeing acquisitions, mergers, and divestitures Reviewing innovation/R&D priorities Overseeing and guiding employee incentives Reviewing and guiding strategy	<p>The Reserves and Sustainability Committee has specific responsibility for overseeing health, safety, environment, climate and other sustainability matters. Its responsibilities include sustainability strategy, benchmarking, setting performance targets, and reviewing progress and achievements against those targets. Specifically, in relation to climate change and the reduction of our company's GHG emissions, the committee provides oversight of targets and objectives, reviews performance, and discusses future opportunities. This committee meets twice a year and reports to the Board after each committee meeting.</p> <p>These matters form part of our annual budget and performance objectives, which are monitored and reported on regularly. We have incorporated GHG emissions targets into our short-term incentive plan scorecard. The Board has oversight for the activities of the Reserves and Sustainability Committee and the Human Resources and Compensation Committee.</p> <p>In alignment with the Task Force on Climate-related Financial Disclosures (TCFD), we have identified two types of climate-related risks: 1) physical risks, which are risks associated with physical impacts from climate change, and 2) transition risks, which are regulatory and business risks related to the transition to a lower-carbon economy.</p> <p>Management presents to the relevant Board</p>

		committees and the full Board on these topics. The Board provides guidance, approves budgets for the plans to be implemented and reviews and approves the company's disclosures of the major risks faced by the company, including climate-related issues.
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C1.1d

(C1.1d) Does your organization have at least one board member with competence on climate-related issues?

	Board member(s) have competence on climate-related issues	Criteria used to assess competence of board member(s) on climate-related issues
Row 1	Yes	Oversight and responsibility of climate-related matters has been delegated to the Reserves and Sustainability committee, with management support and roles and responsibilities clearly defined within Baytex. The committee consists of three Board members with substantive knowledge and business acumen, as well as diverse backgrounds related to these matters. The subject area continues to evolve and members strive to further educate themselves on climate-related matters. Key areas of focus for Board members include risk and opportunity assessments and the strategic integration of emissions into the business.

C1.2

(C1.2) Provide the highest management-level position(s) or committee(s) with responsibility for climate-related issues.

Position or committee

Chief Executive Officer (CEO)

Climate-related responsibilities of this position

Assessing climate-related risks and opportunities
 Managing climate-related risks and opportunities

Coverage of responsibilities

Reporting line

Reports to the board directly

Frequency of reporting to the board on climate-related issues via this reporting line

Quarterly

Please explain

Position or committee

Chief Operating Officer (COO)

Climate-related responsibilities of this position

Assessing climate-related risks and opportunities

Managing climate-related risks and opportunities

Coverage of responsibilities

Reporting line

CEO reporting line

Frequency of reporting to the board on climate-related issues via this reporting line

More frequently than quarterly

Please explain

The Operations Vice Presidents meet with the Chief Operating Officer weekly in management meetings where key matters of importance, including climate-related items, are discussed among the executive team.

Position or committee

Other C-Suite Officer, please specify

Vice Presidents Operations

Climate-related responsibilities of this position

Assessing climate-related risks and opportunities

Managing climate-related risks and opportunities

Coverage of responsibilities

Reporting line

Operations - COO reporting line

Frequency of reporting to the board on climate-related issues via this reporting line

As important matters arise

Please explain

The Director, Sustainability and Director, Health, Safety and Environment update the Vice Presidents Operations as important matters arise related to emissions performance, regulatory matters, and other items as required.

Position or committee

Sustainability committee

Climate-related responsibilities of this position

Assessing climate-related risks and opportunities

Managing climate-related risks and opportunities

Coverage of responsibilities

Reporting line

Operations - COO reporting line

Frequency of reporting to the board on climate-related issues via this reporting line

Half-yearly

Please explain

The Environmental Sustainability Team (EST) is a cross-functional team of employees and managers that are responsible for reporting climate-related issues and initiatives to executive management. The EST is led by the Director, Sustainability and is responsible for monitoring, implementing, and managing systems required to support climate-related initiatives. In relation to climate change and the reduction of the company's GHG emissions, this committee is responsible for the assessment and setting of our targets and the oversight of the preparation of our public disclosures and performance in this area.

Position or committee

Environment/ Sustainability manager

Climate-related responsibilities of this position

Assessing climate-related risks and opportunities

Managing climate-related risks and opportunities

Coverage of responsibilities

Reporting line

Operations - COO reporting line

Frequency of reporting to the board on climate-related issues via this reporting line

Half-yearly

Please explain

Baytex’s executive management team works with our Director, Sustainability to lead our sustainability efforts and work to reinforce our commitment to developing responsible energy for the future.

Position or committee

Safety, Health, Environment and Quality committee

Climate-related responsibilities of this position

Other, please specify

Issues related to health, safety and the environment

Coverage of responsibilities

Reporting line

Operations - COO reporting line

Frequency of reporting to the board on climate-related issues via this reporting line

Quarterly

Please explain

The Health, Safety, and Environment committee is composed of the Chief Executive Officer, Chief Legal Officer and Corporate Secretary, the Operations Vice Presidents, the Director Health and Safety, and the Environment and Regulatory Manager. The committee reports to the Reserves and Sustainability Committee and the Board on issues related to health, safety and environment.

C1.3

(C1.3) Do you provide incentives for the management of climate-related issues, including the attainment of targets?

	Provide incentives for the management of climate-related issues	Comment
Row 1	Yes	ESG matters form part of our annual budget and performance objectives, which are monitored and reported on regularly. Since 2020, our GHG emissions intensity reduction target has been part of our short-term incentive plan scorecard. The short-term incentive plan scorecard is assessed annually and impacts annual compensation for our executive team and all employees.

C1.3a

(C1.3a) Provide further details on the incentives provided for the management of climate-related issues (do not include the names of individuals).

Entitled to incentive

Corporate executive team

Type of incentive

Monetary reward

Incentive(s)

Bonus - % of salary

Performance indicator(s)

Progress towards a climate-related target
Achievement of a climate-related target
Implementation of an emissions reduction initiative
Reduction in emissions intensity

Incentive plan(s) this incentive is linked to

Short-Term Incentive Plan

Further details of incentive(s)

Since 2020, our GHG emissions intensity reduction target has been part of our short-term incentive plan scorecard. The short-term incentive plan (STIP) scorecard is assessed annually and impacts annual compensation for our executive team. It includes an annual GHG emissions intensity reduction target to progress towards our corporate target and requires year-over-year performance improvement. In addition, business improvement initiatives are included as a portion of the annual STIP scorecard. Strategic initiatives related to emissions management and assessing future reduction targets are included in improvement initiatives.

Explain how this incentive contributes to the implementation of your organization's climate commitments and/or climate transition plan

This incentive provides visibility to our emissions performance improvements and progressing toward our corporate reduction target. It is visible to all employees with performance updates by the executive team at town halls quarterly.

C2. Risks and opportunities

C2.1

(C2.1) Does your organization have a process for identifying, assessing, and responding to climate-related risks and opportunities?

Yes

C2.1a

(C2.1a) How does your organization define short-, medium- and long-term time horizons?

	From (years)	To (years)	Comment
Short-term	1	3	Aligns with regular business practices.
Medium-term	3	10	Aligns with regular business practices.
Long-term	10	30	Aligns with regular business practices.

C2.1b

(C2.1b) How does your organization define substantive financial or strategic impact on your business?

Risks that could have a material future adverse effect on the operations, financial condition, the value and amount of our reserves and future sustainability of the business are considered substantive by the company.

C2.2

(C2.2) Describe your process(es) for identifying, assessing and responding to climate-related risks and opportunities.

Value chain stage(s) covered

Direct operations
Upstream
Downstream

Risk management process

Integrated into multi-disciplinary company-wide risk management process

Frequency of assessment

Annually

Time horizon(s) covered

Short-term
Medium-term
Long-term

Description of process

For many years, Baytex has had quarterly and annual long-range planning reviews and reporting processes in place to ensure risks, including environmental and social ones, were appropriately identified and managed. Since 2021 we have enhanced our processes with an additional enterprise risk identification and assessment exercise.

The enterprise risk identification process includes:

- Interviews with risk owners across the company, including two Board members;
- Identification of a complete list of enterprise risks that can impact Baytex from achieving its strategic objectives, including climate-related physical and transition risks;
- The assessment of each risk based on expected impact and likelihood;
- Identification and alignment of top risks based; and
- Assignment of the top risks to key executives as risk owners, who then identified key risk indicators that will be monitored.

After this comprehensive assessment, our risk update process includes:

- Quarterly: We plan to update the Audit Committee on the status of the top risks identified and any significant developments related to the other risks.
- Annually: We plan to review all risks with the Board at our annual strategy meeting to ensure alignment between our corporate strategy and risk assessment.

In addition to the enterprise risk assessment process, when climate-related risks directly impact a business unit, a specific risk assessment and mitigation planning process is undertaken. For example, emerging GHG emission regulations and changes to existing regulations are assessed by the Environmental Sustainability Team to understand the current and future impacts on the business. Findings and recommendations are communicated to the executive management team and, where significant, to the Reserves and Sustainability Committee.

C2.2a

(C2.2a) Which risk types are considered in your organization's climate-related risk assessments?

	Relevance & inclusion	Please explain
Current regulation	Relevant, always included	Our risk assessments consider the current legislative requirements for GHG and emission reductions. Our company philosophy is to always meet or exceed regulatory compliance requirements.
Emerging regulation	Relevant, always included	Regular review of emerging GHG regulations and participation in government / industry working groups to: 1) provide input into the regulations as they are being developed and 2) better understand the future impact the regulations will have on the company.
Technology	Relevant, sometimes included	The impact of technology on lowering GHG emissions and helping to reduce the intensity of emissions is assessed. Technology risk can be viewed in a number of ways, from the risk of not utilizing appropriate technology to mitigate emissions through to the risk of not having appropriate emissions technology available (i.e. still in development stage and not ready for deployment).

Legal	Not relevant, explanation provided	<p>Certain municipal entities and advocacy organizations have sued oil companies in the United States and threatened to sue oil companies in Canada for damage caused by climate change. At this time, we cannot anticipate if we will be included in any such litigation, whether the legal theories advanced in such lawsuits will be accepted by the courts or the potential impact of any such lawsuits.</p>
Market	Relevant, sometimes included	<p>The risk of inaction or insufficient action on climate change and the subsequent market impacts on Baytex are evaluated. Baytex understands that in the future for a company to be a reputable participant in the market meaningful action on climate change is required.</p> <p>Some scenarios suggest that we will have an accelerated decline in oil prices, which will be sustained during the energy transition. This presents a risk if we reach prices lower than our break-even price or if they stay low for a longer period of time.</p>
Reputation	Relevant, always included	<p>We recognize that reputational risk could result if Baytex is perceived as not taking meaningful action to reduce its GHG emissions or address climate change. The result could be reduced access to talent and capital for the company.</p> <p>Baytex is aware that climate change issues are an important societal concern and industry challenge. As a result, emissions management and the potential impacts of climate change are becoming increasingly integrated into business strategy and risk management. We have developed a GHG Emissions Management Framework to support achieving our current target, and to aid in evaluating future emissions reduction targets. The framework helps us incorporate emissions management into decision-making and long-range planning.</p> <p>We continue to invest in GHG emissions reduction technologies and are progressing towards our current corporate reduction target. We are committed to defining our and setting a 2030 reduction target in the near term.</p>
Acute physical	Relevant, always included	<p>Severe weather events that could impact our operated properties in Western Canada include flooding, wildfires, heavy precipitation and extreme temperatures. In the past the company has had to temporarily shut-in production due to flooding and wildfires. We have business interruption insurance for key infrastructure and property insurance coverage on larger facilities.</p> <p>These risks are largely unpredictable and uncontrollable, however Baytex does have systems in place that allow for the rapid implementation of emergency response measures and contingencies</p>

		<p>to reroute production to sales via trucks and rail if required. In addition, Baytex participates in wildfire control planning and emergency response exercises. We have contingency plans to re-route production to sales via trucks and rail, if required.</p> <p>Tropical cyclones can impact production and refining capacity in various offshore producing regions (e.g., U.S. Gulf Coast). This could directly impact properties near San Antonio, Texas, in the Eagle Ford basin. Our non-operated assets in the Eagle Ford are managed by a reputable operator with emergency response measures in place. We maintain a strong working relationship with the operator of the asset. We carry general liability insurance to cover our working interest share.</p>
Chronic physical	Relevant, always included	<p>When contemplating climate-related risk Baytex considers the effects of increasingly frequent extreme weather events on its operations and physical infrastructure. Examples would include wildfires, heavy precipitation events and temperature extremes (atypically hot and atypically cold events). All of the above-mentioned risks, while unpredictable, can cause disruptions to production operations. As such, systems have been put in place that allow for the rapid implementation of emergency response and contingency plans designed to mitigate the impact of severe weather events.</p> <p>We do not anticipate that moderate changes to temperature or precipitation would result in a material impact to our assets or operations.</p>

C2.3

(C2.3) Have you identified any inherent climate-related risks with the potential to have a substantive financial or strategic impact on your business?

Yes

C2.3a

(C2.3a) Provide details of risks identified with the potential to have a substantive financial or strategic impact on your business.

Identifier

Risk 1

Where in the value chain does the risk driver occur?

Direct operations

Risk type & Primary climate-related risk driver

Acute physical
Wildfire

Primary potential financial impact

Decreased revenues due to reduced production capacity

Company-specific description

In the past the company has temporarily shut-in facilities related to wildfires.

Time horizon

Short-term

Likelihood

Likely

Magnitude of impact

Low

Are you able to provide a potential financial impact figure?

No, we do not have this figure

Potential financial impact figure (currency)

Potential financial impact figure – minimum (currency)

Potential financial impact figure – maximum (currency)

Explanation of financial impact figure

Due to the unpredictable and short-term nature of these risks, a financial analysis has not been completed. In the past, the company has had to temporarily shut-in production due to wildfires.

Cost of response to risk

Description of response and explanation of cost calculation

These risks are largely unpredictable and uncontrollable, however Baytex does have contingencies in place to reroute production to sales via trucks and rail if required. In addition, Baytex participates in wildfire control and emergency response planning. The company has business interruption insurance for key infrastructure and property insurance coverage on larger facilities.

Comment

Costs are not easily quantifiable, but are manageable under most circumstances.

Identifier

Risk 2

Where in the value chain does the risk driver occur?

Downstream

Risk type & Primary climate-related risk driver

Acute physical

Cyclone, hurricane, typhoon

Primary potential financial impact

Decreased revenues due to reduced demand for products and services

Company-specific description

Tropical cyclones can impact production and refining capacity in various offshore producing regions (example: US Gulf Coast). This can have a positive or negative impact on commodity prices resulting from supply and/or demand disruptions. Based on our business, the impact is direct with our operations in South Texas in the Eagle Ford Basin, in that it may impact production and sales revenues.

Time horizon

Short-term

Likelihood

Very likely

Magnitude of impact

Medium-low

Are you able to provide a potential financial impact figure?

No, we do not have this figure

Potential financial impact figure (currency)

Potential financial impact figure – minimum (currency)

Potential financial impact figure – maximum (currency)

Explanation of financial impact figure

A longer-term supply or demand disruption could have a meaningful impact on the company's sales revenues. Due to the uncertain nature of these risks, a financial analysis has not been completed.

Cost of response to risk

Description of response and explanation of cost calculation

These risks are largely unpredictable and uncontrollable, however Baytex has commodity price risk management policies and tools in place.

Comment

Costs are not easily quantifiable, but are manageable under most circumstances.

Identifier

Risk 4

Where in the value chain does the risk driver occur?

Direct operations

Risk type & Primary climate-related risk driver

Current regulation
Carbon pricing mechanisms

Primary potential financial impact

Increased direct costs

Company-specific description

In 2019, the Government of Canada implemented the federal Greenhouse Gas Pollution Pricing Act. The Act established a federal benchmark carbon pollution pricing system applied to fuel and combustible waste. The enacted federal carbon pricing impacts provincial jurisdictions that do not have an equivalent Output-Based Pricing System in place. The Provinces of Saskatchewan and Alberta, where Baytex operates, have performance standards in place which determine our financial exposure to the federal fuel tax. Both provinces have obtained and must maintain federal equivalency for their programs. These provincial programs have associated compliance costs when performance standards, relative to an emissions benchmark, cannot be fully met. Compliance costs differ by province depending on the performance standard requirement and compliance cost rate. Emissions coverage includes stationary combustion from the implementation of the performance standards and expanding coverage to stationary combustion and flaring emissions in 2023.

Carbon pricing in Canada increased from \$50 per tonne of CO₂e (tCO₂e) in 2022 to \$65 per tCO₂e in 2023, and will continue to increase \$15 per tCO₂e annually to \$170 per tCO₂e in 2030. There are direct costs of compliance fees in performance standards, as well as inflationary influences on the cost of services and products as carbon pricing increases fuel costs for service providers. Registering our facilities in provincial performance standards limits the financial exposure of compliance fees. In 2022, regulatory reviews were completed on the provincial standards that outline the compliance rates and carbon pricing out to 2030.

Time horizon

Medium-term

Likelihood

Very likely

Magnitude of impact

Medium-low

Are you able to provide a potential financial impact figure?

Yes, a single figure estimate

Potential financial impact figure (currency)

2,000,000

Potential financial impact figure – minimum (currency)

Potential financial impact figure – maximum (currency)

Explanation of financial impact figure

Performance standard compliance fees for 2022 were estimated at \$2.0 million at \$50/tonne. Compliance fees in future years can be lowered through mitigation projects which lower covered emission source intensities.

Cost of response to risk

Description of response and explanation of cost calculation

We estimate our compliance fees based on forecasted covered emission sources in the compliance programs and calculate excess emissions using the current year's compliance rate. The annual carbon price is applied to any excess emissions. We take a conservative approach in estimating our compliance obligations. Additional sensitivities are done to evaluate increasing carbon pricing and higher compliance rates or expanded scope of coverage.

In the jurisdictions Baytex operates, management monitors and reviews developments to provincial and federal carbon pricing policies and the implementation of carbon pricing schemes. As the regulations evolve, there will be additional operational, administrative and reporting requirements associated with maintaining compliance with the output-based performance systems.

Actions can be taken to lower compliance fees that reduce the emissions of covered emission sources compared to benchmarks. For example, this could include investment in energy efficiency improvement projects. Investments in capital equipment enhancements or operating efficiency improvements vary by project.

Comment

Identifier

Risk 3

Where in the value chain does the risk driver occur?

Direct operations

Risk type & Primary climate-related risk driver

Technology
Unsuccessful investment in new technologies

Primary potential financial impact

Increased capital expenditures

Company-specific description

Baytex actively invests in various technologies aimed at reducing our GHG emissions intensity. The technologies we invest in are both proven and unproven and, as such, some degree of risk exists where certain technologies ultimately do not meet our expectations.

As we work towards reducing our GHG emissions capital is deployed, and can sometimes be lost, as projects utilizing new technologies are implemented. To minimize this risk, and ensure the most efficient means of GHG reduction, these technologies are trialled in smaller pilot projects before being deployed on a large scale.

Time horizon

Medium-term

Likelihood

Very likely

Magnitude of impact

Medium-low

Are you able to provide a potential financial impact figure?

No, we do not have this figure

Potential financial impact figure (currency)

Potential financial impact figure – minimum (currency)

Potential financial impact figure – maximum (currency)

Explanation of financial impact figure

The cost to choose and invest in the right mitigation technology overtime. Continual investment is needed to trial new technologies and applications.

Cost of response to risk

Description of response and explanation of cost calculation

The process of investing in new and existing technologies aimed at reducing GHG emissions and emissions intensity is one Baytex is committed to. To reduce the risk of investing heavily in technologies that are ultimately unsuccessful, Baytex ensures smaller scales trials of all new technologies (or new applications for existing technologies) before investing in larger scale deployment.

To remain current on technology and innovation we collaborate with peers. Employees monitor technological developments, including emissions reduction opportunities. Staying current and encouraging collaboration within the company and with peers reduces our technology related risks.

Baytex considers the capital invested in trials and testing new technologies to be a means of reducing our cost exposure on a longer-term time horizon. Investing, understanding, and finding better ways to reduce emissions today, allows us to set and meet GHG related targets going forward more effectively.

Comment

Identifier

Risk 5

Where in the value chain does the risk driver occur?

Direct operations

Risk type & Primary climate-related risk driver

Emerging regulation

Mandates on and regulation of existing products and services

Primary potential financial impact

Increased indirect (operating) costs

Company-specific description

In 2018, Environment and Climate Change Canada set in place federal regulations for methane emissions from the oil and gas sector which came into force January 1, 2020. These regulations are set to achieve a methane reduction from upstream oil and gas facilities of 40–45 per cent below 2012 levels by 2025. The provinces take responsibility for energy and natural resources within their boundaries and have bodies to govern these activities. The Provinces of Alberta and Saskatchewan have developed GHG emissions reduction programs of their own, that have achieved equivalency under the federal regulations. These programs have increasing regulatory stringency in subsequent years and, if specified climate-related outcomes are not met, additional regulations could come into force. The government of Canada has committed to expanding its oil and gas methane emissions reduction target to at least a 75 per cent reduction below 2012 levels by 2030. In November 2022, a proposed federal regulatory framework for the oil and gas sector was released to achieve the 2030 target.

Time horizon

Short-term

Likelihood

Virtually certain

Magnitude of impact

Medium-high

Are you able to provide a potential financial impact figure?

No, we do not have this figure

Potential financial impact figure (currency)

Potential financial impact figure – minimum (currency)

Potential financial impact figure – maximum (currency)

Explanation of financial impact figure

Tightening methane regulations in future years may require retrofitting existing sites, equipment upgrades, GHG reduction project planning, capital investment, air monitoring, and other reporting requirements. Additional future costs will be associated with equipment, projects, monitoring, and reporting.

Cost of response to risk

Description of response and explanation of cost calculation

Methane has been the focus of our GHG emissions reduction efforts for the last five years and we have achieved an impressive 84 percent absolute reduction of our methane emissions during that period. We continue to monitor ongoing developments and proposed regulations to ensure regulatory compliance can be achieved.

Baytex's risk assessments consider the current legislative requirements for methane and emission reduction requirements. Our company philosophy is to always meet or exceed regulatory compliance requirements. Emerging GHG regulations are regularly reviewed and Baytex participates in government and industry working groups. This ensures the opportunity to provide input into the regulations as they are being developed and ensures a better understanding of the future impact of emerging regulations.

Many existing processes and systems can be leveraged to implement regulatory changes. For example, Baytex's Peace River operations fall under Directive 84 and a fugitive emission monitoring program is in place. A system was implemented internally to schedule fugitive emissions inspections and store inspection data for regulatory reporting. These learnings and processes have been leveraged across all Canadian

operations to ensure compliance with provincial regulations pertaining to fugitive emissions monitoring.

Management evaluates the costs of improvements to current systems or the necessity of implementing new applications and processes to ensure regulatory compliance. Direct operating cost impacts and capital investment requirements related to regulatory compliance activities are considered and budgeted for. For example, compliance with Saskatchewan's Methane Action Plan required capital investments which were included in the 2019 - 2022 capital budgets; these expenditures, related to methane mitigation, were tracked throughout the year, and reported to management and the Board.

Comment

Identifier

Risk 6

Where in the value chain does the risk driver occur?

Direct operations

Risk type & Primary climate-related risk driver

Chronic physical

Changing precipitation patterns and types (rain, hail, snow/ice)

Primary potential financial impact

Decreased revenues due to reduced production capacity

Company-specific description

Chronic weather changes included precipitation events and temperature extremes (atypically hot and atypically cold events).

Time horizon

Long-term

Likelihood

Likely

Magnitude of impact

Medium-low

Are you able to provide a potential financial impact figure?

No, we do not have this figure

Potential financial impact figure (currency)

Potential financial impact figure – minimum (currency)

Potential financial impact figure – maximum (currency)

Explanation of financial impact figure

These events could result in a decrease in revenues related to production downtime.

Cost of response to risk

Description of response and explanation of cost calculation

The geographical dispersion of our assets helps mitigate the potential impact on our physical assets. In addition, we have business interruption insurance in place for key infrastructure.

Comment

Costs are not easily quantifiable, but are manageable under most circumstances.

Identifier

Risk 7

Where in the value chain does the risk driver occur?

Direct operations

Risk type & Primary climate-related risk driver

Technology
Transitioning to lower emissions technology

Primary potential financial impact

Increased capital expenditures

Company-specific description

Technology risks include not having appropriate emissions technology available. As we endeavor to improve our emissions performance and decarbonize our assets there is the risk that applicable technology will be in the development stage and not ready for deployment.

Time horizon

Medium-term

Likelihood

About as likely as not

Magnitude of impact

Medium-low

Are you able to provide a potential financial impact figure?

No, we do not have this figure

Potential financial impact figure (currency)

Potential financial impact figure – minimum (currency)

Potential financial impact figure – maximum (currency)

Explanation of financial impact figure

There could be additional capital costs related to the development or trialling of new technologies.

Cost of response to risk

Description of response and explanation of cost calculation

Our Environmental Sustainability Team is responsible for monitoring advancements of GHG mitigation technologies and assesses their feasibility for our operations. The annual GHG capital budget includes funding for trialling technologies that could have larger applications in future mitigation programs. For example, trials for optimizing low and intermittent gas rate combustion are part of our current approved budget.

Comment

Identifier

Risk 8

Where in the value chain does the risk driver occur?

Downstream

Risk type & Primary climate-related risk driver

Market
Changing customer behavior

Primary potential financial impact

Decreased revenues due to reduced demand for products and services

Company-specific description

Some scenarios suggest that we will have an accelerated decline in oil price, which will be sustained during the energy transition.

Time horizon

Long-term

Likelihood

More likely than not

Magnitude of impact

Unknown

Are you able to provide a potential financial impact figure?

No, we do not have this figure

Potential financial impact figure (currency)

Potential financial impact figure – minimum (currency)

Potential financial impact figure – maximum (currency)

Explanation of financial impact figure

If prices are lower than our break-even price, or if they stay low for a longer period of time, decreased revenues could result.

Cost of response to risk

Description of response and explanation of cost calculation

We use a hedging program to mitigate the volatility that can occur through low commodity price periods. Discipline and flexibility are key features of our capital program that allows us to adapt to longer-term commodity price changes. In the future, we can focus on low-cost assets (including carbon costs) and could divest of some higher cost assets.

Comment

Identifier

Risk 9

Where in the value chain does the risk driver occur?

Direct operations

Risk type & Primary climate-related risk driver

Chronic physical

Water scarcity

Primary potential financial impact

Decreased revenues due to reduced production capacity

Company-specific description

To develop some of our resources using hydraulic fracturing, SAGD or waterflooding, we need to have access to sufficient volumes of water, or other liquids.

Time horizon

Long-term

Likelihood

Likely

Magnitude of impact

Medium-low

Are you able to provide a potential financial impact figure?

No, we do not have this figure

Potential financial impact figure (currency)

Potential financial impact figure – minimum (currency)

Potential financial impact figure – maximum (currency)

Explanation of financial impact figure

Limited access to water may reduce the amount of oil and natural gas that we are able to produce and therefore could decrease our sales revenue.

Cost of response to risk

Description of response and explanation of cost calculation

We have decreased our freshwater intensity by 17 percent from our 2020 baseline. In 2022, we started developing an internal Water Management Framework, which prioritizes freshwater use reductions throughout our operations. By 2025, we are committed to implementing our internal Water Management Framework across all high-risk regions.

Future costs will include capital investment in water storage or recycle facilities as well as operating costs from procuring non-fresh water sources, engineering, and water studies.

Comment

C2.4

(C2.4) Have you identified any climate-related opportunities with the potential to have a substantive financial or strategic impact on your business?

Yes

C2.4a

(C2.4a) Provide details of opportunities identified with the potential to have a substantive financial or strategic impact on your business.

Identifier

Opp1

Where in the value chain does the opportunity occur?

Direct operations

Opportunity type

Resource efficiency

Primary climate-related opportunity driver

Use of more efficient production and distribution processes

Primary potential financial impact

Increased revenues through access to new and emerging markets

Company-specific description

Strategic gas conservation initiatives have increased our gas sales and associated revenues. A focus on economic conservation opportunities reduces emissions, results in more efficient operations and increases revenues.

For example, Baytex's Viking light oil assets are predominantly centralized in the Kindersley, Saskatchewan area where there is limited gas conservation infrastructure in place. In 2018, the Viking assets emitted 1,954,582 tonnes CO₂e with an intensity of 0.254 tonnes CO₂e per BOE. From 2018 to 2022 Baytex has increased its efforts to conserve gas and mitigate methane in the region to reduce its emissions intensity and ensure compliance with the new Saskatchewan methane regulations. The result was a 73% decrease in the emissions intensity from 2018 to 2022, and an approximately 15% increase in gas conservation for the Viking operating area.

Time horizon

Medium-term

Likelihood

Virtually certain

Magnitude of impact

Medium

Are you able to provide a potential financial impact figure?

Potential financial impact figure (currency)

Potential financial impact figure – minimum (currency)

Potential financial impact figure – maximum (currency)

Explanation of financial impact figure

In addition to the reduction in our emissions intensity, mitigation activities have resulted in high gas sales volumes. Additional gas sales revenue is realized when gas is conserved and delivered to market.

Cost to realize opportunity

25,000,000

Strategy to realize opportunity and explanation of cost calculation

Ongoing initiatives in the Viking and other business units will include: putting stranded gas to beneficial use, increasing capacity of current gas conservation infrastructure, multi-well pad site development and the evaluation of new or expanded gas conservation projects.

Comment

The Viking GHG reduction initiative will impact current operations and future development plans. To date \$25 million has been spent on this reduction initiative.

Identifier

Opp2

Where in the value chain does the opportunity occur?

Direct operations

Opportunity type

Resilience

Primary climate-related opportunity driver

Other, please specify

Primary potential financial impact

Increased access to capital

Company-specific description

As an oil and gas producer, we believe that our resiliency will allow us to compete in a low-carbon economy and could improve our ability to access capital in future years. In this context, resiliency refers to our ability to respond and withstand regulatory and market challenges brought on by the energy transition.

Time horizon

Medium-term

Likelihood

Very likely

Magnitude of impact

Unknown

Are you able to provide a potential financial impact figure?

No, we do not have this figure

Potential financial impact figure (currency)

Potential financial impact figure – minimum (currency)

Potential financial impact figure – maximum (currency)

Explanation of financial impact figure

Our resiliency improves our ability to manage operating costs and deploy capital effectively.

-Operating costs: managing escalating carbon pricing and regulatory expenses.

-Abatement costs: effective capital investments in GHG mitigation projects and technologies.

Cost to realize opportunity

0

Strategy to realize opportunity and explanation of cost calculation

The following four characteristics contribute to the resiliency of our business in the near and medium-term:

- 1) Financial resiliency: We have a self-funded development program, which means that we can execute our drilling plans and develop our assets in our five-year outlook, without external sources of capital. We continue to focus on cost management and have a competitive break-even oil price (US\$45 WTI).
- 2) Diversification: We are exposed to different regulations in the various jurisdictions where we operate and own assets. In 2022, 38 per cent of our production came from non-operated assets in the U.S. Our Canadian operated production is split between the provinces of Alberta and Saskatchewan.
- 3) Track record of implementing GHG reductions: We have invested in methane and GHG emission reductions across our properties. Peace River assets are subject to some of the most stringent regulations in Canada and we consistently meet or exceed our obligations. We have applied learnings from Peace River in developing and implementing our plans for our Viking assets.
- 4) Carbon decision tools: We have GHG emissions data and related tools to make informed and effective capital and operating cost decisions.

Comment

Identifier

Opp3

Where in the value chain does the opportunity occur?

Direct operations

Opportunity type

Resource efficiency

Primary climate-related opportunity driver

Reduced water usage and consumption

Primary potential financial impact

Reduced direct costs

Company-specific description

Continuously improving our water management practices supports Baytex's long term resilience. Through our Water Management Framework we strive to focus on operational resiliency by:

- Advancing innovative approaches and technologies to reduce reliance on freshwater in new projects.
- Evaluating produced water opportunities, emerging and proven, to manage our produced water efficiently and safely.
- Monitoring and meeting regulatory requirements.

Time horizon

Medium-term

Likelihood

Very likely

Magnitude of impact

Low

Are you able to provide a potential financial impact figure?

No, we do not have this figure

Potential financial impact figure (currency)

Potential financial impact figure – minimum (currency)

Potential financial impact figure – maximum (currency)

Explanation of financial impact figure

We do not yet have a cost estimate and will continue to review cost savings opportunities as we evaluate further.

Cost to realize opportunity

0

Strategy to realize opportunity and explanation of cost calculation

Our commitment is to implement our Water Management Framework in high-risk areas by 2025. A main component of this framework is operational resiliency. Cost evaluations for water management investments are part of our annual budget and long range planning activities.

Comment

Identifier

Opp4

Where in the value chain does the opportunity occur?

Direct operations

Opportunity type

Energy source

Primary climate-related opportunity driver

Use of lower-emission sources of energy

Primary potential financial impact

Reduced direct costs

Company-specific description

We evaluate energy sources on our new facilities and the efficiency of existing sites. Emissions, capital investment and ongoing operating costs are considerations in these evaluations.

Time horizon

Short-term

Likelihood

Virtually certain

Magnitude of impact

Medium-low

Are you able to provide a potential financial impact figure?

No, we do not have this figure

Potential financial impact figure (currency)

Potential financial impact figure – minimum (currency)

Potential financial impact figure – maximum (currency)

Explanation of financial impact figure

As carbon pricing increases in future years, this will impact future direct cost for electricity and compliance fees. Capital investment in equipment upgrades and ongoing maintenance costs are also financial considerations.

Cost to realize opportunity

Strategy to realize opportunity and explanation of cost calculation

Energy efficiency projects can lower overall consumption and reduce future costs.

Comment

Identifier

Opp5

Where in the value chain does the opportunity occur?

Direct operations

Opportunity type

Energy source

Primary climate-related opportunity driver

Participation in carbon market

Primary potential financial impact

Reduced indirect (operating) costs

Company-specific description

There are opportunities available to participate in compliance and voluntary offset markets. In particular, generating offset credits from verified reduction projects which are beyond regulatory compliance obligations can help to lower future compliance obligations (carbon costs). In Alberta, under the Vent Gas Protocol verified offset projects can be used to lower TIER compliance obligations.

Time horizon

Medium-term

Likelihood

Virtually certain

Magnitude of impact

Medium-low

Are you able to provide a potential financial impact figure?

No, we do not have this figure

Potential financial impact figure (currency)

Potential financial impact figure – minimum (currency)

Potential financial impact figure – maximum (currency)

Explanation of financial impact figure

Offset credits have a value based on the price of carbon when they are monetized. In Canada, the carbon prices was \$50 per tonne of CO₂e in 2022 and increased to \$65 per tonne CO₂e in 2023. It will continue to increase \$15 per tonne of CO₂e to \$170 per tonne CO₂e in 2030.

Cost to realize opportunity

Strategy to realize opportunity and explanation of cost calculation

Identifying projects that are beyond compliance and verifying the additionality of these reductions has a financial benefit which helps offset capital investment requirements to meet tightening methane regulations. For example, Baytex's low-bleed pneumatic device change outs were done prior to mandated installation deadline under the methane regulations.

Comment

Identifier

Opp6

Where in the value chain does the opportunity occur?

Direct operations

Opportunity type

Energy source

Primary climate-related opportunity driver

Use of supportive policy incentives

Primary potential financial impact

Reduced direct costs

Company-specific description

Government grants to improve energy efficiency and support decarbonization efforts are available. We evaluate provincial and federal grants that apply to our current and future emission reductions.

Time horizon

Short-term

Likelihood

Virtually certain

Magnitude of impact

Medium-low

Are you able to provide a potential financial impact figure?

No, we do not have this figure

Potential financial impact figure (currency)

Potential financial impact figure – minimum (currency)

Potential financial impact figure – maximum (currency)

Explanation of financial impact figure

Grant programs that lower our financial exposure to GHG capital investments are evaluated. The financial impact depends on the program and amount of investment. Administrative costs for applications, consulting fees, and reporting requirements are also a consideration.

Cost to realize opportunity

0

Strategy to realize opportunity and explanation of cost calculation

Grant opportunities are evaluated on a case-by-case basis. In 2022, Baytex received BROA funding in Alberta to support internal and provincial emissions source inventorying activities.

Comment

C3. Business Strategy

C3.1

(C3.1) Does your organization's strategy include a climate transition plan that aligns with a 1.5°C world?

Row 1

Climate transition plan

No, our strategy has been influenced by climate-related risks and opportunities, but we do not plan to develop a climate transition plan within two years

Explain why your organization does not have a climate transition plan that aligns with a 1.5°C world and any plans to develop one in the future

We take a pragmatic and phased approach to identifying and managing climate-related risks. Our current emissions reduction target is a 65% reduction in emission intensity (Scope 1 and Scope 2) by 2025.

From our 2018 baseline we have achieved:

- Consistent year-over-year absolute and intensity reductions
- 59% decrease in GHG intensity or 90% of the way to our 2025 target
- 84% decrease in absolute methane emissions

Baytex is committed to defining emissions reduction pathways and setting a 2030 reduction target in the future. We believe that producing energy resources through efficient operations positively contributes to society by meeting the world's energy needs while minimizing our environmental impacts.

C3.2

(C3.2) Does your organization use climate-related scenario analysis to inform its strategy?

	Use of climate-related scenario analysis to inform strategy
Row 1	Yes, qualitative

C3.2a

(C3.2a) Provide details of your organization’s use of climate-related scenario analysis.

Climate-related scenario	Scenario analysis coverage	Temperature alignment of scenario	Parameters, assumptions, analytical choices
Transition scenarios IEA APS	Company-wide		Announced Pledges Scenario Key assumptions: -Results in warming of approximately 2.1 degrees celsius in 2100. -Global oil demand is 96.1 million barrels per day (mbd) in 2030 and 76.7 mbd in 2050. -Global heavy oil land bitumen production rises from 3.3 mbd in 2020 to 3.8 mbd in 2030, before falling to 2.3 mbd in 2050.

			-The WTI price is USD \$67/barrel in 2030 and USE \$64/barrel in 2050.
Transition scenarios IEA NZE 2050	Company-wide		<p>Net Zero Emissions by 2050 Scenario</p> <p>Key assumptions:</p> <ul style="list-style-type: none"> -Energy sector and consumption actions required to limit warming to 1.5 degrees celsius. -Global oil demand falls to 72 mbd in 2030 and to 24 mbd in 2050. -The WTI price is USD \$35/barrel in 2030 and USD \$25/barrel in 2050.

C3.2b

(C3.2b) Provide details of the focal questions your organization seeks to address by using climate-related scenario analysis, and summarize the results with respect to these questions.

Row 1

Focal questions

We used two transition-risk scenarios developed by the International Energy Agency (IEA), in alignment with the TCFD recommendations, which have become widely referenced for future global energy demand and allow for comparability with other companies. Scenarios were used to discuss our resiliency and further integrate climate-related risks and opportunities into our decision-making. However, it is important to note that scenarios are hypothetical constructs that use assumptions and estimates to highlight central elements of a possible future, and are not a forecast, prediction, or sensitivity analysis.

The focal questions we addressed were:

- 1) What are our sources of resiliency to 2030?
- 2) Are there areas we can further integrate climate-related risks and opportunities into our decision-making?
- 3) What is our long-term thinking, beyond 2030?

Results of the climate-related scenario analysis with respect to the focal questions

Sources of Resiliency to 2030

Resiliency refers to our ability to respond and withstand regulatory and market challenges brought on by the energy transition. Our preliminary scenario analysis indicates that we can remain competitive and resilient under the APS in the near and medium-term. However, new technologies or business lines would be needed to remain resilient under NZE 2050. The following characteristics contribute to the resiliency, in an environment that is comparable to the APS.

- 1) Financial resiliency: We have a self-funded development program, which means that we can execute our develop plans for our five-year outlook, without external sources of capital. We continue to focus on cost management and have a competitive break-even oil price (US\$45 WTI). The key elements of our business strategy that ensure our financial resiliency include: disciplined capital allocation, focus on free cash flow generation, maintaining financial strength and our hedging program.
- 2) Diversification: We are exposed to different regulations in the various jurisdictions where we operate. In 2022, 38 per cent of our production came from non-operated assets in the U.S. with no exposure to current carbon pricing. Our Canadian production is split between the provinces of AB and SK that also have different regulations and compliance instruments in place.
- 3) Track Record: We have invested in methane and GHG emission reductions across our properties, showcasing the adaptability and resiliency of our teams.
- 4) Carbon decision tools: We currently have GHG emissions data and related tools to make informed and effective capital and operating cost decisions. However, we see an additional opportunity to further embed carbon into decision making processes as the operational level.

Our Long-Term Thinking, Beyond 2030

Scenario analysis is an iterative process. We expect to assess the transition-related impacts of scenarios and the resiliency of our business regularly, especially as governments announce and implement additional carbon related policies. We have been able to operate in a lower carbon policy environment over the past few years, and have a track record of adapting to fast changing regulations during years of low oil prices. As we consider potential impacts beyond 2030, we believe we can apply some of our past experiences and learnings to enhance the resiliency of our business longer-term.

- 1) Optimize our business: To remain competitive, we could need to lower the cost structure of our business or complete a portfolio shift.
- 2) Further reduce our GHG intensity: We would need to reduce our GHG intensity below our current reduction target.
- 3) Refine our capital allocation and development approach: We could change the timing of development and/or invest in gas infrastructure or other emissions reduction technologies which are economically viable in a higher carbon cost environment.
- 4) Explore other technologies and partnerships.

C3.3

(C3.3) Describe where and how climate-related risks and opportunities have influenced your strategy.

Have climate-related risks and opportunities influenced your strategy in this area?	Description of influence

Products and services	Yes	<p>Products are evaluated to determine the most pragmatic and effective solution for lowering the GHG emissions intensity of our operations, while older more emissions intense products are phased out.</p> <p>For example, we have worked with a local service provider to improve enclosed combustor technology which is higher efficiency than traditional flaring. While technologies that no longer support our GHG reduction initiatives, such as high-bleed pneumatic devices, are no longer being purchased by Baytex.</p>
Supply chain and/or value chain	Yes	<p>We actively support innovation in our service providers and give preference to companies that are demonstrating continual improvements in their environmental performance, including emissions reductions.</p> <p>In particular, when bidding out our drilling and completions contracts, lower emissions technologies are given preference when available. This includes dual-fuel drilling rigs which run on lower-emission compressed natural gas and diesel.</p>
Investment in R&D	Yes	<p>Emission reduction initiatives influence R&D investment as the company executes programs designed to mitigate climate-related risks. Examples include: working closely with vendors to develop low gas volume high efficiency combustor and odour eliminating technologies.</p>
Operations	Yes	<p>There is an influence on our operations associated with the transition to lower emissions intensity production including additional associated logistics and operating requirements. Development planning takes into consideration the benefits of consolidating production sites through multi-well pad and extended reach horizontal wells. These options have higher consolidated production for future gas conservation opportunities.</p> <p>The Viking methane mitigation program has changed a standard new well setup design. In the Peace River region, operations have changed significantly over the years with the multi-year gas conservation project.</p> <p>We have committed to minimizing venting sources in our new development areas of the Peavine Clearwater and Duvernay.</p> <p>The impact on the company's emissions profile is</p>

		<p>considered when contemplating acquisitions, dispositions or new development programs.</p> <p>There has been a positive cultural influence on the operations teams as the company continually improves its sustainable operating procedures.</p>
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C3.4

(C3.4) Describe where and how climate-related risks and opportunities have influenced your financial planning.

	Financial planning elements that have been influenced	Description of influence
Row 1	<p>Revenues</p> <p>Direct costs</p> <p>Indirect costs</p> <p>Capital expenditures</p> <p>Capital allocation</p> <p>Acquisitions and divestments</p>	<p>Revenues:</p> <p>A long-term supply or demand disruption could have a meaningful positive or negative impact on our sales revenues. The nature of long-term supply or demand disruption is uncertain in nature and could be impactful to product pricing..</p> <p>Operating Costs:</p> <p>We conduct financial analysis on the potential increase to operating costs in jurisdictions with carbon pricing schemes, including factors such as compliance costs for carbon pricing and the operations and maintenance of GHG mitigation infrastructure.</p> <p>GHG Mitigation Budget:</p> <p>To continue to invest in reducing our GHG emissions, we have a dedicated GHG mitigation budget embedded within our capital budgeting process for exploration and development expenditures. In 2022, we invested \$7 million to GHG reduction and strategic gas conservation projects. Individual projects are ranked and evaluated on a dollar per tonne annual mitigation metric. A variety of trial project are included in the budget to pilot potential future mitigation program applications.</p> <p>Capital Expenditures and Capital Allocation:</p> <p>We factor opportunities to reduce energy consumption, reduce emissions, and ensure regulatory compliance into our capital budget. We also evaluate the economics of gas conservation or mitigation projects, consider the costs and benefits of such initiatives and track project costs and subsequent performance. The availability of government grants to lower the capital expenditures of emissions reduction or new energy projects is also a consideration.</p> <p>Acquisitions and Divestments:</p>

		<p>When Baytex evaluates acquiring or divesting of assets, we consider the emissions intensity of the assets, methane regulatory compliance in future years, and a transaction's potential impact on our corporate emissions profile. Our management team also considers the financial impacts that acquired properties may have in terms of future emissions intensity reduction initiatives and regulatory compliance costs.</p> <p>Compensation: ESG matters form part of our annual budget and performance objectives, which are monitored and reported on regularly. For many years, we have included safety and spill metrics as part of our scorecard. Since 2020, our GHG emissions intensity target has been part of our short-term incentive plan scorecard. This is assessed annually and impacts annual compensation for our executive team and all employees.</p>
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C3.5

(C3.5) In your organization’s financial accounting, do you identify spending/revenue that is aligned with your organization’s climate transition?

	Identification of spending/revenue that is aligned with your organization’s climate transition
Row 1	No, and we do not plan to in the next two years

C4. Targets and performance

C4.1

(C4.1) Did you have an emissions target that was active in the reporting year?

Intensity target

C4.1b

(C4.1b) Provide details of your emissions intensity target(s) and progress made against those target(s).

Target reference number

Int 1

Is this a science-based target?

No, and we do not anticipate setting one in the next two years

Target ambition

Year target was set

2019

Target coverage

Company-wide

Scope(s)

Scope 1

Scope 2

Scope 2 accounting method

Location-based

Scope 3 category(ies)

Intensity metric

Metric tons CO₂e per barrel of oil equivalent (BOE)

Base year

2018

Intensity figure in base year for Scope 1 (metric tons CO₂e per unit of activity)

0.108

Intensity figure in base year for Scope 2 (metric tons CO₂e per unit of activity)

0.004

Intensity figure in base year for Scope 3, Category 1: Purchased goods and services (metric tons CO₂e per unit of activity)

Intensity figure in base year for Scope 3, Category 2: Capital goods (metric tons CO₂e per unit of activity)

Intensity figure in base year for Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) (metric tons CO₂e per unit of activity)

Intensity figure in base year for Scope 3, Category 4: Upstream transportation and distribution (metric tons CO₂e per unit of activity)

Intensity figure in base year for Scope 3, Category 5: Waste generated in operations (metric tons CO₂e per unit of activity)

Intensity figure in base year for Scope 3, Category 6: Business travel (metric tons CO₂e per unit of activity)

Intensity figure in base year for Scope 3, Category 7: Employee commuting (metric tons CO₂e per unit of activity)

Intensity figure in base year for Scope 3, Category 8: Upstream leased assets (metric tons CO₂e per unit of activity)

Intensity figure in base year for Scope 3, Category 9: Downstream transportation and distribution (metric tons CO₂e per unit of activity)

Intensity figure in base year for Scope 3, Category 10: Processing of sold products (metric tons CO₂e per unit of activity)

Intensity figure in base year for Scope 3, Category 11: Use of sold products (metric tons CO₂e per unit of activity)

Intensity figure in base year for Scope 3, Category 12: End-of-life treatment of sold products (metric tons CO₂e per unit of activity)

Intensity figure in base year for Scope 3, Category 13: Downstream leased assets (metric tons CO₂e per unit of activity)

Intensity figure in base year for Scope 3, Category 14: Franchises (metric tons CO₂e per unit of activity)

Intensity figure in base year for Scope 3, Category 15: Investments (metric tons CO₂e per unit of activity)

Intensity figure in base year for Scope 3, Other (upstream) (metric tons CO₂e per unit of activity)

Intensity figure in base year for Scope 3, Other (downstream) (metric tons CO₂e per unit of activity)

Intensity figure in base year for total Scope 3 (metric tons CO₂e per unit of activity)

Intensity figure in base year for all selected Scopes (metric tons CO₂e per unit of activity)

0.112

% of total base year emissions in Scope 1 covered by this Scope 1 intensity figure

100

% of total base year emissions in Scope 2 covered by this Scope 2 intensity figure

100

% of total base year emissions in Scope 3, Category 1: Purchased goods and services covered by this Scope 3, Category 1: Purchased goods and services intensity figure

% of total base year emissions in Scope 3, Category 2: Capital goods covered by this Scope 3, Category 2: Capital goods intensity figure

% of total base year emissions in Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) covered by this Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) intensity figure

% of total base year emissions in Scope 3, Category 4: Upstream transportation and distribution covered by this Scope 3, Category 4: Upstream transportation and distribution intensity figure

% of total base year emissions in Scope 3, Category 5: Waste generated in operations covered by this Scope 3, Category 5: Waste generated in operations intensity figure

% of total base year emissions in Scope 3, Category 6: Business travel covered by this Scope 3, Category 6: Business travel intensity figure

% of total base year emissions in Scope 3, Category 7: Employee commuting covered by this Scope 3, Category 7: Employee commuting intensity figure

% of total base year emissions in Scope 3, Category 8: Upstream leased assets covered by this Scope 3, Category 8: Upstream leased assets intensity figure

% of total base year emissions in Scope 3, Category 9: Downstream transportation and distribution covered by this Scope 3, Category 9: Downstream transportation and distribution intensity figure

% of total base year emissions in Scope 3, Category 10: Processing of sold products covered by this Scope 3, Category 10: Processing of sold products intensity figure

% of total base year emissions in Scope 3, Category 11: Use of sold products covered by this Scope 3, Category 11: Use of sold products intensity figure

% of total base year emissions in Scope 3, Category 12: End-of-life treatment of sold products covered by this Scope 3, Category 12: End-of-life treatment of sold products intensity figure

% of total base year emissions in Scope 3, Category 13: Downstream leased assets covered by this Scope 3, Category 13: Downstream leased assets intensity figure

% of total base year emissions in Scope 3, Category 14: Franchises covered by this Scope 3, Category 14: Franchises intensity figure

% of total base year emissions in Scope 3, Category 15: Investments covered by this Scope 3, Category 15: Investments intensity figure

% of total base year emissions in Scope 3, Other (upstream) covered by this Scope 3, Other (upstream) intensity figure

% of total base year emissions in Scope 3, Other (downstream) covered by this Scope 3, Other (downstream) intensity figure

% of total base year emissions in Scope 3 (in all Scope 3 categories) covered by this total Scope 3 intensity figure

% of total base year emissions in all selected Scopes covered by this intensity figure

100

Target year

2021

Targeted reduction from base year (%)

30

Intensity figure in target year for all selected Scopes (metric tons CO₂e per unit of activity) [auto-calculated]

0.0784

% change anticipated in absolute Scope 1+2 emissions

45

% change anticipated in absolute Scope 3 emissions

0

Intensity figure in reporting year for Scope 1 (metric tons CO₂e per unit of activity)

0.042

Intensity figure in reporting year for Scope 2 (metric tons CO₂e per unit of activity)

0.004

Intensity figure in reporting year for Scope 3, Category 1: Purchased goods and services (metric tons CO₂e per unit of activity)

Intensity figure in reporting year for Scope 3, Category 2: Capital goods (metric tons CO₂e per unit of activity)

Intensity figure in reporting year for Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) (metric tons CO₂e per unit of activity)

Intensity figure in reporting year for Scope 3, Category 4: Upstream transportation and distribution (metric tons CO₂e per unit of activity)

Intensity figure in reporting year for Scope 3, Category 5: Waste generated in operations (metric tons CO₂e per unit of activity)

Intensity figure in reporting year for Scope 3, Category 6: Business travel (metric tons CO₂e per unit of activity)

Intensity figure in reporting year for Scope 3, Category 7: Employee commuting (metric tons CO₂e per unit of activity)

Intensity figure in reporting year for Scope 3, Category 8: Upstream leased assets (metric tons CO₂e per unit of activity)

Intensity figure in reporting year for Scope 3, Category 9: Downstream transportation and distribution (metric tons CO₂e per unit of activity)

Intensity figure in reporting year for Scope 3, Category 10: Processing of sold products (metric tons CO₂e per unit of activity)

Intensity figure in reporting year for Scope 3, Category 11: Use of sold products (metric tons CO₂e per unit of activity)

Intensity figure in reporting year for Scope 3, Category 12: End-of-life treatment of sold products (metric tons CO₂e per unit of activity)

Intensity figure in reporting year for Scope 3, Category 13: Downstream leased assets (metric tons CO₂e per unit of activity)

Intensity figure in reporting year for Scope 3, Category 14: Franchises (metric tons CO₂e per unit of activity)

Intensity figure in reporting year for Scope 3, Category 15: Investments (metric tons CO₂e per unit of activity)

Intensity figure in reporting year for Scope 3, Other (upstream) (metric tons CO₂e per unit of activity)

Intensity figure in reporting year for Scope 3, Other (downstream) (metric tons CO₂e per unit of activity)

Intensity figure in reporting year for total Scope 3 (metric tons CO2e per unit of activity)

Intensity figure in reporting year for all selected Scopes (metric tons CO2e per unit of activity)

0.046

Does this target cover any land-related emissions?

No, it does not cover any land-related emissions (e.g. non-FLAG SBT)

% of target achieved relative to base year [auto-calculated]

196.4285714286

Target status in reporting year

Achieved

Please explain target coverage and identify any exclusions

Baytex's first corporate emission intensity reduction target was a 30% reduction by 2021, from a 2018 baseline. We exceeded this target a year early in 2020.

Emissions intensity, or production carbon intensity, is the measure of total gross operated GHG emissions (tonnes CO2e) per total operated throughput (BOE).

Plan for achieving target, and progress made to the end of the reporting year

List the emissions reduction initiatives which contributed most to achieving this target

- Shifting from venting to combustors where there is limited gas gathering infrastructure.
- Increasing gas gathering infrastructure and gas conservation.
- Production site consolidation.
- Onsite fuel usage of associated gas.

Target reference number

Int 2

Is this a science-based target?

No, and we do not anticipate setting one in the next two years

Target ambition

Year target was set

2021

Target coverage

Company-wide

Scope(s)

Scope 1
Scope 2

Scope 2 accounting method

Location-based

Scope 3 category(ies)

Intensity metric

Metric tons CO₂e per barrel of oil equivalent (BOE)

Base year

2018

Intensity figure in base year for Scope 1 (metric tons CO₂e per unit of activity)

0.108

Intensity figure in base year for Scope 2 (metric tons CO₂e per unit of activity)

0.004

Intensity figure in base year for Scope 3, Category 1: Purchased goods and services (metric tons CO₂e per unit of activity)

Intensity figure in base year for Scope 3, Category 2: Capital goods (metric tons CO₂e per unit of activity)

Intensity figure in base year for Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) (metric tons CO₂e per unit of activity)

Intensity figure in base year for Scope 3, Category 4: Upstream transportation and distribution (metric tons CO₂e per unit of activity)

Intensity figure in base year for Scope 3, Category 5: Waste generated in operations (metric tons CO₂e per unit of activity)

Intensity figure in base year for Scope 3, Category 6: Business travel (metric tons CO₂e per unit of activity)

Intensity figure in base year for Scope 3, Category 7: Employee commuting (metric tons CO₂e per unit of activity)

Intensity figure in base year for Scope 3, Category 8: Upstream leased assets (metric tons CO2e per unit of activity)

Intensity figure in base year for Scope 3, Category 9: Downstream transportation and distribution (metric tons CO2e per unit of activity)

Intensity figure in base year for Scope 3, Category 10: Processing of sold products (metric tons CO2e per unit of activity)

Intensity figure in base year for Scope 3, Category 11: Use of sold products (metric tons CO2e per unit of activity)

Intensity figure in base year for Scope 3, Category 12: End-of-life treatment of sold products (metric tons CO2e per unit of activity)

Intensity figure in base year for Scope 3, Category 13: Downstream leased assets (metric tons CO2e per unit of activity)

Intensity figure in base year for Scope 3, Category 14: Franchises (metric tons CO2e per unit of activity)

Intensity figure in base year for Scope 3, Category 15: Investments (metric tons CO2e per unit of activity)

Intensity figure in base year for Scope 3, Other (upstream) (metric tons CO2e per unit of activity)

Intensity figure in base year for Scope 3, Other (downstream) (metric tons CO2e per unit of activity)

Intensity figure in base year for total Scope 3 (metric tons CO2e per unit of activity)

Intensity figure in base year for all selected Scopes (metric tons CO2e per unit of activity)

0.112

% of total base year emissions in Scope 1 covered by this Scope 1 intensity figure

100

% of total base year emissions in Scope 2 covered by this Scope 2 intensity figure

100

% of total base year emissions in Scope 3, Category 1: Purchased goods and services covered by this Scope 3, Category 1: Purchased goods and services intensity figure

% of total base year emissions in Scope 3, Category 2: Capital goods covered by this Scope 3, Category 2: Capital goods intensity figure

% of total base year emissions in Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) covered by this Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) intensity figure

% of total base year emissions in Scope 3, Category 4: Upstream transportation and distribution covered by this Scope 3, Category 4: Upstream transportation and distribution intensity figure

% of total base year emissions in Scope 3, Category 5: Waste generated in operations covered by this Scope 3, Category 5: Waste generated in operations intensity figure

% of total base year emissions in Scope 3, Category 6: Business travel covered by this Scope 3, Category 6: Business travel intensity figure

% of total base year emissions in Scope 3, Category 7: Employee commuting covered by this Scope 3, Category 7: Employee commuting intensity figure

% of total base year emissions in Scope 3, Category 8: Upstream leased assets covered by this Scope 3, Category 8: Upstream leased assets intensity figure

% of total base year emissions in Scope 3, Category 9: Downstream transportation and distribution covered by this Scope 3, Category 9: Downstream transportation and distribution intensity figure

% of total base year emissions in Scope 3, Category 10: Processing of sold products covered by this Scope 3, Category 10: Processing of sold products intensity figure

% of total base year emissions in Scope 3, Category 11: Use of sold products covered by this Scope 3, Category 11: Use of sold products intensity figure

% of total base year emissions in Scope 3, Category 12: End-of-life treatment of sold products covered by this Scope 3, Category 12: End-of-life treatment of sold products intensity figure

% of total base year emissions in Scope 3, Category 13: Downstream leased assets covered by this Scope 3, Category 13: Downstream leased assets intensity figure

% of total base year emissions in Scope 3, Category 14: Franchises covered by this Scope 3, Category 14: Franchises intensity figure

% of total base year emissions in Scope 3, Category 15: Investments covered by this Scope 3, Category 15: Investments intensity figure

% of total base year emissions in Scope 3, Other (upstream) covered by this Scope 3, Other (upstream) intensity figure

% of total base year emissions in Scope 3, Other (downstream) covered by this Scope 3, Other (downstream) intensity figure

% of total base year emissions in Scope 3 (in all Scope 3 categories) covered by this total Scope 3 intensity figure

% of total base year emissions in all selected Scopes covered by this intensity figure

100

Target year

2025

Targeted reduction from base year (%)

65

Intensity figure in target year for all selected Scopes (metric tons CO₂e per unit of activity) [auto-calculated]

0.0392

% change anticipated in absolute Scope 1+2 emissions

60

% change anticipated in absolute Scope 3 emissions

Intensity figure in reporting year for Scope 1 (metric tons CO₂e per unit of activity)

0.042

Intensity figure in reporting year for Scope 2 (metric tons CO₂e per unit of activity)

0.004

Intensity figure in reporting year for Scope 3, Category 1: Purchased goods and services (metric tons CO₂e per unit of activity)

Intensity figure in reporting year for Scope 3, Category 2: Capital goods (metric tons CO₂e per unit of activity)

Intensity figure in reporting year for Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) (metric tons CO₂e per unit of activity)

Intensity figure in reporting year for Scope 3, Category 4: Upstream transportation and distribution (metric tons CO₂e per unit of activity)

Intensity figure in reporting year for Scope 3, Category 5: Waste generated in operations (metric tons CO₂e per unit of activity)

Intensity figure in reporting year for Scope 3, Category 6: Business travel (metric tons CO₂e per unit of activity)

Intensity figure in reporting year for Scope 3, Category 7: Employee commuting (metric tons CO₂e per unit of activity)

Intensity figure in reporting year for Scope 3, Category 8: Upstream leased assets (metric tons CO₂e per unit of activity)

Intensity figure in reporting year for Scope 3, Category 9: Downstream transportation and distribution (metric tons CO₂e per unit of activity)

Intensity figure in reporting year for Scope 3, Category 10: Processing of sold products (metric tons CO₂e per unit of activity)

Intensity figure in reporting year for Scope 3, Category 11: Use of sold products (metric tons CO₂e per unit of activity)

Intensity figure in reporting year for Scope 3, Category 12: End-of-life treatment of sold products (metric tons CO₂e per unit of activity)

Intensity figure in reporting year for Scope 3, Category 13: Downstream leased assets (metric tons CO₂e per unit of activity)

Intensity figure in reporting year for Scope 3, Category 14: Franchises (metric tons CO₂e per unit of activity)

Intensity figure in reporting year for Scope 3, Category 15: Investments (metric tons CO₂e per unit of activity)

Intensity figure in reporting year for Scope 3, Other (upstream) (metric tons CO₂e per unit of activity)

Intensity figure in reporting year for Scope 3, Other (downstream) (metric tons CO₂e per unit of activity)

Intensity figure in reporting year for total Scope 3 (metric tons CO₂e per unit of activity)

Intensity figure in reporting year for all selected Scopes (metric tons CO₂e per unit of activity)

0.046

Does this target cover any land-related emissions?

No, it does not cover any land-related emissions (e.g. non-FLAG SBT)

% of target achieved relative to base year [auto-calculated]

90.6593406593

Target status in reporting year

Underway

Please explain target coverage and identify any exclusions

As part of our commitment to continuous improvement, we have set a second corporate target to reduce our GHG emissions intensity by 65% (Scope 1 and Scope 2) from our 2018 baseline. In 2022, we have reduced our emissions intensity 59% and are 90% of the way to achieving our 65% reduction target.

Various emissions intensity reduction projects will be undertaken to achieve our reduction target. We will focus on our highest emissions intensity facilities and utilize a multifaceted approach to reducing emissions that addresses technical and operational challenges.

Emissions intensity, or production carbon intensity, is the measure of total gross operated GHG emissions (tonnes CO₂e) per total operated throughput (BOE).

Plan for achieving target, and progress made to the end of the reporting year

- Shifting from venting to combustors where there is limited gas gathering infrastructure.
- Increasing gas gathering infrastructure and gas conservation.
- Upgrading devices to low-bleed technology.

List the emissions reduction initiatives which contributed most to achieving this target

C4.2

(C4.2) Did you have any other climate-related targets that were active in the reporting year?

No other climate-related targets

C-OG4.2d

(C-OG4.2d) Indicate which targets reported in C4.1a/b incorporate methane emissions, or if you do not have a methane-specific emissions reduction target for your oil and gas activities, please explain why not and forecast how your methane emissions will change over the next five years.

Methane has been the focus of our GHG emissions reduction efforts for the last four years and we have achieved an 84 per cent reduction of our absolute methane emissions from 2018 to 2021. However, the company does not currently set targets in terms of methane specific reduction.

C4.3

(C4.3) Did you have emissions reduction initiatives that were active within the reporting year? Note that this can include those in the planning and/or implementation phases.

Yes

C4.3a

(C4.3a) Identify the total number of initiatives at each stage of development, and for those in the implementation stages, the estimated CO2e savings.

	Number of initiatives	Total estimated annual CO2e savings in metric tonnes CO2e (only for rows marked *)
Under investigation	3	95,000
To be implemented*		
Implementation commenced*		
Implemented*	7	1,442,500
Not to be implemented		

C4.3b

(C4.3b) Provide details on the initiatives implemented in the reporting year in the table below.

Initiative category & Initiative type

- Other, please specify
- Other, please specify
- High-efficiency combustor installation

Estimated annual CO2e savings (metric tonnes CO2e)

50,500

Scope(s) or Scope 3 category(ies) where emissions savings occur

Scope 1

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in C0.4)

0

Investment required (unit currency – as specified in C0.4)

579,000

Payback period

No payback

Estimated lifetime of the initiative

6-10 years

Comment

12 month mitigation tonnes estimate

Initiative category & Initiative type

Other, please specify

Other, please specify

Strategic gas conservation projects

Estimated annual CO2e savings (metric tonnes CO2e)

43,100

Scope(s) or Scope 3 category(ies) where emissions savings occur

Scope 1

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in C0.4)

0

Investment required (unit currency – as specified in C0.4)

3,374,000

Payback period

4-10 years

Estimated lifetime of the initiative

6-10 years

Comment

12 mo mitigation tonnes estimate

Initiative category & Initiative type

Other, please specify

Other, please specify

Other GHG Reduction Projects

Estimated annual CO2e savings (metric tonnes CO2e)

0

Scope(s) or Scope 3 category(ies) where emissions savings occur

Scope 1

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in C0.4)

0

Investment required (unit currency – as specified in C0.4)

2,998,000

Payback period

No payback

Estimated lifetime of the initiative

6-10 years

Comment

C4.3c

(C4.3c) What methods do you use to drive investment in emissions reduction activities?

Method	Comment
Compliance with regulatory requirements/standards	Effective economic rate of return and compliance with regulatory requirements in Alberta and Saskatchewan.
Employee engagement	Our sustainability, engineering and operations teams are committed to and engaged in seeking out opportunities to economically reduce greenhouse gas emissions.
Internal incentives/recognition programs	We have included in our incentive program GHG emissions performance metrics which is tied to the annual bonus pool for all employees.
Dedicated budget for other emissions reduction activities	To continue to invest in our GHG emissions, we have a dedicated GHG mitigation budget embedded within our capital budgeting process for exploration and development expenditures. In 2022, we executed our first dedicated capital budget that was Board approved and invested \$7 million on emissions reduction and strategic gas conservation projects.
Dedicated budget for low-carbon product R&D	To encourage the trialing and development of new technologies in partnership with our suppliers, we had a dedicated R&D budget for

	2022. Funds were used for engineering studies including a carbon captures opportunity assessment and pre-FEED on low-gas rate technologies.
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C4.5

(C4.5) Do you classify any of your existing goods and/or services as low-carbon products?

No

C-OG4.6

(C-OG4.6) Describe your organization's efforts to reduce methane emissions from your activities.

Since raw natural gas is typically composed of more than 95 per cent methane, and methane's global warming potential is 25 times more potent than carbon dioxide, we focus many of our GHG reduction activities on reducing methane emissions associated with venting activities and fugitive equipment leaks.

Our methane reduction strategies include:

- **Shifting from venting to combustors:** At venting sites with limited gas-gathering infrastructure, we have invested in combustor technology. Combustors burn natural gas that would otherwise be vented, converting methane to carbon dioxide, a less potent GHG.
- **Production site consolidation:** Our development planning includes multi-well pad drilling, where possible, to consolidate production volumes for future gas conservation efforts. We often pair multi-well pads with extended-reach horizontal wells to access resources previously considered uneconomical, and further reduce our footprint. More than 95 per cent of Viking development now incorporates extended-reach horizontal drilling.
- **Preventing leaks:** Our fugitive emissions management program and survey schedule aligns with regulatory requirements. The program's goal is to detect and repair leaks from tanks, valves, connectors and other equipment. Using forward-looking infrared (FLIR) cameras and other protocols, discovered leaks are tagged, documented, and repaired in a timely manner. In 2022, we completed 7,528 surveys and repaired 608 fugitive leaks. We also explored the application of other technologies, including piloting aerial surveillance, to better understand our emissions from methane. Our initial 2022 aerial surveillance campaign covered 560 sites. We will continue to investigate these and other innovations to further understand and reduce our methane emissions.
- **Tank top capture:** We have invested in vapour recovery units (VRUs) since 2004. VRUs capture gas vapours from oil storage tanks instead of venting them to the atmosphere. The gas can then be sent to a gas gathering pipeline for sale, used as in-field fuel, or combusted.
- **Upgrading devices:** We upgrade gas-driven pneumatic devices (which release or "bleed" small quantities of methane during normal operations) to low-bleed technology.

Some of the methane abatement projects we have undertaken in our operating areas include:

- Since August of 2018 Baytex has operated the **Peace River Instrument Gas to Instrument Air Conversion Project**, which was registered under the Alberta Emission

Offset System (Project Identifier 4070-4748). This pilot project involved the conversion of gas driven wellsite pneumatic systems to compressed air driven systems in the companies Reno production field.

- In July of 2018 Baytex commenced operations of the **Harmon Valley Gas Plant** which was specifically designed to conserve associated gas from heavy oil production in the Peace River field. Historically this gas would have been vented or flared.
- The **Viking methane mitigation project** has specifically targeted a reduction in methane from wellsite venting by utilizing gas conservation, high-efficiency gas combustors or flaring. From 2019 to 2022, Baytex focused on methane emissions reduction efforts in the Viking. Oil and gas operations in this area, have traditionally involved higher volumes of vented methane, as such, this area represented the largest opportunity for Baytex to reduce emissions. Efforts to date have been focussed on increasing gas conservation in areas with available third party take away infrastructure as well as methane destruction efforts in areas lacking gas infrastructure.
- We go beyond regulatory compliance by "minimizing routine venting" in our new development areas of Peavine Clearwater and Duvernay. All gas is captured on site, and surveys and repairs of fugitive equipment leaks are completed regularly. This approach has minimized the methane emissions for our operations in the areas.
- In 2021 Baytex completed a mitigation project retrofitted high-bleed to **low-bleed pneumatic devices** in 22 Alberta fields. The result is an estimated annual emissions reduction of 6,800 tonnes of CO₂e. The project lowered and methane emission sand will generate carbon credits to help offset future compliance obligations.

C-OG4.7

(C-OG4.7) Does your organization conduct leak detection and repair (LDAR) or use other methods to find and fix fugitive methane emissions from oil and gas production activities?

Yes

C-OG4.7a

(C-OG4.7a) Describe the protocol through which methane leak detection and repair or other leak detection methods, are conducted for oil and gas production activities, including predominant frequency of inspections, estimates of assets covered, and methodologies employed.

Our fugitive emissions management program (FEMP) and survey schedule aligns with regulatory requirements. The program's goal is to detect and repair leaks from tanks, valves, connectors, and other equipment. Using forward-looking infrared (FLIR) cameras and other protocols, discovered leaks are tagged, documented and repaired in a timely manner. In 2022, we completed 7,528 surveys and repaired 608 fugitive leaks.

C-OG4.8

(C-OG4.8) If flaring is relevant to your oil and gas production activities, describe your organization's efforts to reduce flaring, including any flaring reduction targets.

There are two types of flaring activities in oil and gas operations - routine and non-routine. Routine flaring is continuous in nature while non-routine flaring is intermittent in nature and required for operational upsets and the safe operations of facilities. We seek to minimize routine flaring in our operations. Where flaring is required because of limited gas gathering

infrastructure, and to reduce more potent venting emissions, we apply high-efficiency combustor technologies when feasible.

Some of our flaring reduction activities include:

- Baytex has identified the Saskatchewan **Viking** operations as a key area to increase gas conservation and reduce emissions through venting and flaring. This area has been particularly challenging with respect to gas conservation given limited natural gas take away options and infrastructure. Despite these challenges, Baytex will increase the number of conserving gas wells through current and future emissions reduction programs.
- We have shifted from **venting to combustors** at various Viking and Lloydminster sites where there is limited gas gathering infrastructure. Combustors have been found to burn gas more efficiently than an open flare, take up a smaller footprint, cost less to install and have greater landowner support because they have no visible flames.
- In our **Peace River** production area, Baytex has continued to expand its gas conservation efforts leading to significantly reduced flaring. The goal of these ongoing infrastructure programs is to reduce routine flaring in the region to less than 5% of all associated gas produced.

C5. Emissions methodology

C5.1

(C5.1) Is this your first year of reporting emissions data to CDP?

No

C5.1a

(C5.1a) Has your organization undergone any structural changes in the reporting year, or are any previous structural changes being accounted for in this disclosure of emissions data?

Row 1

Has there been a structural change?

No

C5.1b

(C5.1b) Has your emissions accounting methodology, boundary, and/or reporting year definition changed in the reporting year?

Change(s) in methodology, boundary, and/or reporting year definition?	
Row 1	No

C5.2

(C5.2) Provide your base year and base year emissions.

Scope 1

Base year start

January 1, 2018

Base year end

December 31, 2018

Base year emissions (metric tons CO₂e)

2,739,887

Comment

Baytex and Raging River merged on August 22, 2018, and this resulted in an increase in overall absolute emissions for 2018 as compared to 2017. The baseline year of 2018, which includes full year direct emissions from both entities is 2,739,887 tonnes CO₂e.

Scope 2 (location-based)

Base year start

January 1, 2018

Base year end

December 31, 2018

Base year emissions (metric tons CO₂e)

102,703

Comment

Baytex and Raging River merged on August 22, 2018, and this resulted in an increase in overall absolute emissions for 2018 as compared to 2017. The baseline year of 2018, had in-direct full year emissions from both entities of 102,703 tonnes CO₂e.

Scope 2 (market-based)

Base year start

January 1, 2018

Base year end

December 31, 2018

Base year emissions (metric tons CO₂e)

0

Comment

Baytex does not report Market based, all Scope 2 is location based.

Scope 3 category 1: Purchased goods and services

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Not quantified.

Scope 3 category 2: Capital goods

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Not quantified.

Scope 3 category 3: Fuel-and-energy-related activities (not included in Scope 1 or 2)

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Not quantified.

Scope 3 category 4: Upstream transportation and distribution

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Not quantified.

Scope 3 category 5: Waste generated in operations

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Not quantified.

Scope 3 category 6: Business travel

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Not quantified.

Scope 3 category 7: Employee commuting

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Not quantified.

Scope 3 category 8: Upstream leased assets

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Not quantified.

Scope 3 category 9: Downstream transportation and distribution

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Not quantified.

Scope 3 category 10: Processing of sold products

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Not quantified.

Scope 3 category 11: Use of sold products

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Not quantified.

Scope 3 category 12: End of life treatment of sold products

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Not quantified.

Scope 3 category 13: Downstream leased assets

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Not quantified.

Scope 3 category 14: Franchises

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Not quantified.

Scope 3 category 15: Investments

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Not quantified.

Scope 3: Other (upstream)

Base year start

Base year end

Base year emissions (metric tons CO₂e)

Comment

Not quantified.

Scope 3: Other (downstream)

Base year start

Base year end

Base year emissions (metric tons CO₂e)

Comment

Not quantified.

C5.3

(C5.3) Select the name of the standard, protocol, or methodology you have used to collect activity data and calculate emissions.

American Petroleum Institute Compendium of Greenhouse Gas Emissions Methodologies for the Oil and Natural Gas Industry, 2009

Canadian Association of Petroleum Producers, Calculating Greenhouse Gas Emissions, 2003

IPCC Guidelines for National Greenhouse Gas Inventories, 2006

The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition)

The Greenhouse Gas Protocol: Scope 2 Guidance

C6. Emissions data

C6.1

(C6.1) What were your organization's gross global Scope 1 emissions in metric tons CO₂e?

Reporting year

Gross global Scope 1 emissions (metric tons CO₂e)

1,001,008

Start date

January 1, 2022

End date

December 31, 2022

Comment

2022 direct emissions.

Past year 1

Gross global Scope 1 emissions (metric tons CO2e)

1,078,283

Start date

January 1, 2021

End date

December 31, 2021

Comment

2021 direct emissions.

Past year 2

Gross global Scope 1 emissions (metric tons CO2e)

1,188,227

Start date

January 1, 2020

End date

December 31, 2020

Comment

2020 direct emissions.

Past year 3

Gross global Scope 1 emissions (metric tons CO2e)

2,230,163

Start date

January 1, 2019

End date

December 31, 2019

Comment

2019 direct emissions.

Past year 4

Gross global Scope 1 emissions (metric tons CO₂e)

2,739,887

Start date

January 1, 2018

End date

December 31, 2018

Comment

2018 baseline direct emissions.

C6.2

(C6.2) Describe your organization's approach to reporting Scope 2 emissions.

Row 1

Scope 2, location-based

We are reporting a Scope 2, location-based figure

Scope 2, market-based

We have no operations where we are able to access electricity supplier emission factors or residual emissions factors and are unable to report a Scope 2, market-based figure

Comment

We use the published ECCC provincial grid factors for the provinces of Alberta and Saskatchewan in our location-based quantifications.

C6.3

(C6.3) What were your organization's gross global Scope 2 emissions in metric tons CO₂e?

Reporting year

Scope 2, location-based

90,022

Start date

January 1, 2022

End date

December 31, 2022

Comment

2022 indirect emissions.

Past year 1

Scope 2, location-based

95,395

Start date

January 1, 2021

End date

December 31, 2021

Comment

2021 indirect emissions.

Past year 2

Scope 2, location-based

89,642

Start date

January 1, 2020

End date

December 31, 2020

Comment

2020 indirect emissions.

Past year 3

Scope 2, location-based

112,475

Start date

January 1, 2019

End date

December 31, 2019

Comment

2019 indirect emissions.

Past year 4

Scope 2, location-based

102,703

Start date

January 1, 2018

End date

December 31, 2018

Comment

2018 indirect emissions.

C6.4

(C6.4) Are there any sources (e.g. facilities, specific GHGs, activities, geographies, etc.) of Scope 1, Scope 2 or Scope 3 emissions that are within your selected reporting boundary which are not included in your disclosure?

No

C6.5

(C6.5) Account for your organization's gross global Scope 3 emissions, disclosing and explaining any exclusions.

Purchased goods and services

Evaluation status

Relevant, not yet calculated

Please explain

Current reduction activities are focused on emissions within our operating boundaries and direct control.

Capital goods

Evaluation status

Relevant, not yet calculated

Please explain

Current reduction activities are focused on emissions within our operating boundaries and direct control.

Fuel-and-energy-related activities (not included in Scope 1 or 2)

Evaluation status

Relevant, not yet calculated

Please explain

Current reduction activities are focused on emissions within our operating boundaries and direct control.

Upstream transportation and distribution

Evaluation status

Relevant, not yet calculated

Please explain

Current reduction activities are focused on emissions within our operating boundaries and direct control.

Waste generated in operations

Evaluation status

Relevant, not yet calculated

Please explain

Current reduction activities are focused on emissions within our operating boundaries and direct control.

Business travel

Evaluation status

Relevant, not yet calculated

Please explain

Current reduction activities are focused on emissions within our operating boundaries and direct control.

Employee commuting

Evaluation status

Relevant, not yet calculated

Please explain

Current reduction activities are focused on emissions within our operating boundaries and direct control.

Upstream leased assets

Evaluation status

Relevant, not yet calculated

Please explain

Current reduction activities are focused on emissions within our operating boundaries and direct control.

Downstream transportation and distribution

Evaluation status

Relevant, not yet calculated

Please explain

Current reduction activities are focused on emissions within our operating boundaries and direct control.

Processing of sold products

Evaluation status

Relevant, not yet calculated

Please explain

Current reduction activities are focused on emissions within our operating boundaries and direct control.

Use of sold products

Evaluation status

Relevant, not yet calculated

Please explain

Current reduction activities are focused on emissions within our operating boundaries and direct control.

End of life treatment of sold products

Evaluation status

Relevant, not yet calculated

Please explain

Current reduction activities are focused on emissions within our operating boundaries and direct control.

Downstream leased assets

Evaluation status

Relevant, not yet calculated

Please explain

Current reduction activities are focused on emissions within our operating boundaries and direct control.

Franchises

Evaluation status

Not relevant, explanation provided

Please explain

Not applicable.

Investments

Evaluation status

Not relevant, explanation provided

Please explain

Not applicable.

Other (upstream)

Evaluation status

Relevant, not yet calculated

Please explain

Current reduction activities are focused on emissions within our operating boundaries and direct control.

Other (downstream)

Evaluation status

Relevant, not yet calculated

Please explain

Current reduction activities are focused on emissions within our operating boundaries and direct control.

C6.7

(C6.7) Are carbon dioxide emissions from biogenic carbon relevant to your organization?

No

C6.10

(C6.10) Describe your gross global combined Scope 1 and 2 emissions for the reporting year in metric tons CO₂e per unit currency total revenue and provide any additional intensity metrics that are appropriate to your business operations.

Intensity figure

0.046

Metric numerator (Gross global combined Scope 1 and 2 emissions, metric tons CO₂e)

1,091,030

Metric denominator

barrel of oil equivalent (BOE)

Metric denominator: Unit total

23,882,306

Scope 2 figure used

Location-based

% change from previous year

16

Direction of change

Decreased

Reason(s) for change

Other emissions reduction activities
Change in output

Please explain

In 2022, emissions intensity per boe decreased 16% compared to 2021 with a 7% decrease in total (scope 1 and scope 2) emissions, and an 11% increase in throughput volumes.

Intensity figure

0.00065

Metric numerator (Gross global combined Scope 1 and 2 emissions, metric tons CO2e)

1,091,030

Metric denominator

unit total revenue

Metric denominator: Unit total

1,676,870,291

Scope 2 figure used

Location-based

% change from previous year

45

Direction of change

Decreased

Reason(s) for change

Change in output
Change in revenue

Please explain

In 2022, operating sales increased 69% compared to 2021. Absolute emissions decreased 7% or 82,648 tonnes CO2e. These changes were a result of the increase in oil pricing in 2022 compared to the prior year and lower emissions from emissions reduction initiatives. This resulted in an overall 45% decrease in revenue intensity.

Intensity figure

2,413.78

Metric numerator (Gross global combined Scope 1 and 2 emissions, metric tons CO2e)

1,091,030

Metric denominator

full time equivalent (FTE) employee

Metric denominator: Unit total

452

Scope 2 figure used

Location-based

% change from previous year

12

Direction of change

Decreased

Reason(s) for change

Other emissions reduction activities

Please explain

In 2022, full time equivalent (FTE) employee emission intensity decreased 12% compared to 2021, with FTE headcount of 452 increasing 5% and total emissions decreasing 7%.

C-OG6.12

(C-OG6.12) Provide the intensity figures for Scope 1 emissions (metric tons CO₂e) per unit of hydrocarbon category.

Unit of hydrocarbon category (denominator)

Thousand barrels of crude oil/ condensate

Metric tons CO₂e from hydrocarbon category per unit specified

0.04

% change from previous year

16

Direction of change

Decreased

Reason for change

In 2022, scope 1 emissions intensity decreased 16% compared to 2021 with a 7% decrease in scope 1 and a 11% increase in throughput boe volumes.

Comment

C-OG6.13

(C-OG6.13) Report your methane emissions as percentages of natural gas and hydrocarbon production or throughput.

Oil and gas business division

Upstream

Estimated total methane emitted expressed as % of natural gas production or throughput at given division

33.4

Estimated total methane emitted expressed as % of total hydrocarbon production or throughput at given division

33.4

Details of methodology

In 2022, methane tonnes CO₂e were 33% of total scope 1 emissions and decreased 18% compared to 2021 on a % of total scope 1 emissions basis.

C7. Emissions breakdowns

C7.1

(C7.1) Does your organization break down its Scope 1 emissions by greenhouse gas type?

Yes

C7.1a

(C7.1a) Break down your total gross global Scope 1 emissions by greenhouse gas type and provide the source of each used greenhouse warming potential (GWP).

Greenhouse gas	Scope 1 emissions (metric tons of CO ₂ e)	GWP Reference
CO ₂	658,561	IPCC Fourth Assessment Report (AR4 - 100 year)
CH ₄	334,553	IPCC Fourth Assessment Report (AR4 - 100 year)
N ₂ O	7,895	IPCC Fourth Assessment Report (AR4 - 100 year)

C-OG7.1b

(C-OG7.1b) Break down your total gross global Scope 1 emissions from oil and gas value chain production activities by greenhouse gas type.

Emissions category

Combustion (excluding flaring)

Value chain

Upstream

Product

Oil

Gross Scope 1 CO2 emissions (metric tons CO2)

498,045

Gross Scope 1 methane emissions (metric tons CH4)

158

Total gross Scope 1 emissions (metric tons CO2e)

502,003

Comment

2022 stationary combustion emissions from fuel gas usage, diesel and propane. Baytex's producing operated wells are predominantly oil.

Emissions category

Flaring

Value chain

Upstream

Product

Oil

Gross Scope 1 CO2 emissions (metric tons CO2)

167,477

Gross Scope 1 methane emissions (metric tons CH4)

422

Total gross Scope 1 emissions (metric tons CO2e)

178,022

Comment

2022 flaring emissions. Baytex's producing operated wells are predominantly oil wells.

Emissions category

Venting

Value chain

Upstream

Product

Oil

Gross Scope 1 CO2 emissions (metric tons CO2)

655

Gross Scope 1 methane emissions (metric tons CH4)

11,999

Total gross Scope 1 emissions (metric tons CO2e)

300,618

Comment

2022 venting emissions. Baytex's producing operated wells are predominantly oil wells.

Emissions category

Fugitives

Value chain

Upstream

Product

Oil

Gross Scope 1 CO2 emissions (metric tons CO2)

196

Gross Scope 1 methane emissions (metric tons CH4)

807

Total gross Scope 1 emissions (metric tons CO2e)

20,366

Comment

2022 fugitive emissions. Baytex's producing operated wells are predominantly oil wells.

Emissions category

Process (feedstock) emissions

Value chain

Upstream

Product

Oil

Gross Scope 1 CO2 emissions (metric tons CO2)

0

Gross Scope 1 methane emissions (metric tons CH4)

0

Total gross Scope 1 emissions (metric tons CO2e)

0

Comment

No process emissions in our operations.

C7.2

(C7.2) Break down your total gross global Scope 1 emissions by country/area/region.

Country/area/region	Scope 1 emissions (metric tons CO2e)
Canada	1,001,008

C7.3

(C7.3) Indicate which gross global Scope 1 emissions breakdowns you are able to provide.

By business division

C7.3a

(C7.3a) Break down your total gross global Scope 1 emissions by business division.

Business division	Scope 1 emissions (metric ton CO2e)
Conventional District	51,044
Duvernay District	10,550
Lloydminster District	264,348
Peace River District	304,832
Viking District	370,234

C-CE7.4/C-CH7.4/C-CO7.4/C-EU7.4/C-MM7.4/C-OG7.4/C-ST7.4/C-TO7.4/C-TS7.4

(C-CE7.4/C-CH7.4/C-CO7.4/C-EU7.4/C-MM7.4/C-OG7.4/C-ST7.4/C-TO7.4/C-TS7.4) Break down your organization's total gross global Scope 1 emissions by sector production activity in metric tons CO2e.

	Gross Scope 1 emissions, metric tons CO2e	Comment
Oil and gas production activities (upstream)	1,001,008	
Oil and gas production activities (midstream)	0	
Oil and gas production activities (downstream)	0	

C7.5

(C7.5) Break down your total gross global Scope 2 emissions by country/area/region.

Country/area/region	Scope 2, location-based (metric tons CO2e)	Scope 2, market-based (metric tons CO2e)
Canada	90,022	0

C7.6

(C7.6) Indicate which gross global Scope 2 emissions breakdowns you are able to provide.

By business division

C7.6a

(C7.6a) Break down your total gross global Scope 2 emissions by business division.

Business division	Scope 2, location-based (metric tons CO2e)	Scope 2, market-based (metric tons CO2e)
Conventional District	3,630	0
Duvernay District	1,996	0
Lloydminster District	36,770	0
Peace River District	17,791	0
Viking District	29,835	0

C7.7

(C7.7) Is your organization able to break down your emissions data for any of the subsidiaries included in your CDP response?

Not relevant as we do not have any subsidiaries

C-CE7.7/C-CH7.7/C-CO7.7/C-MM7.7/C-OG7.7/C-ST7.7/C-TO7.7/C-TS7.7

(C-CE7.7/C-CH7.7/C-CO7.7/C-MM7.7/C-OG7.7/C-ST7.7/C-TO7.7/C-TS7.7) Break down your organization’s total gross global Scope 2 emissions by sector production activity in metric tons CO2e.

	Scope 2, location-based, metric tons CO2e	Scope 2, market-based (if applicable), metric tons CO2e	Comment
Oil and gas production activities (upstream)	90,022	0	
Oil and gas production activities (midstream)	0	0	
Oil and gas production activities (downstream)	0	0	

C7.9

(C7.9) How do your gross global emissions (Scope 1 and 2 combined) for the reporting year compare to those of the previous reporting year?

Decreased

C7.9a

(C7.9a) Identify the reasons for any change in your gross global emissions (Scope 1 and 2 combined), and for each of them specify how your emissions compare to the previous year.

	Change in emissions (metric tons CO2e)	Direction of change in emissions	Emissions value (percentage)	Please explain calculation
Change in renewable energy consumption				
Other emissions reduction activities	56,000	Decreased	5	Emissions reduction activities from mitigation projects, fuel gas consumption and flaring reductions resulted in an approximate 56,000 tonnes CO2e or 5% reduction in scope 1 emissions.

Divestment				
Acquisitions				
Mergers				
Change in output	21,000	Decreased	2	The decrease in our Viking production volumes resulted in an approximate 21,000 tonnes CO2e or 2% reduction in overall scope 1 emissions.
Change in methodology				
Change in boundary				
Change in physical operating conditions				
Unidentified				
Other				

C7.9b

(C7.9b) Are your emissions performance calculations in C7.9 and C7.9a based on a location-based Scope 2 emissions figure or a market-based Scope 2 emissions figure?

Location-based

C8. Energy

C8.1

(C8.1) What percentage of your total operational spend in the reporting year was on energy?

More than 10% but less than or equal to 15%

C8.2

(C8.2) Select which energy-related activities your organization has undertaken.

	Indicate whether your organization undertook this energy-related activity in the reporting year
Consumption of fuel (excluding feedstocks)	Yes

Consumption of purchased or acquired electricity	Yes
Consumption of purchased or acquired heat	No
Consumption of purchased or acquired steam	No
Consumption of purchased or acquired cooling	No
Generation of electricity, heat, steam, or cooling	Yes

C8.2a

(C8.2a) Report your organization’s energy consumption totals (excluding feedstocks) in MWh.

	Heating value	MWh from renewable sources	MWh from non-renewable sources	Total (renewable and non-renewable) MWh
Consumption of fuel (excluding feedstock)	HHV (higher heating value)	0	2,516,337	2,516,337
Consumption of purchased or acquired electricity		0	144,012	144,012
Consumption of self-generated non-fuel renewable energy		0		0
Total energy consumption		0	2,660,349	2,660,349

C8.2b

(C8.2b) Select the applications of your organization’s consumption of fuel.

	Indicate whether your organization undertakes this fuel application
Consumption of fuel for the generation of electricity	No
Consumption of fuel for the generation of heat	No
Consumption of fuel for the generation of steam	Yes

Consumption of fuel for the generation of cooling	No
Consumption of fuel for co-generation or tri-generation	No

C8.2c

(C8.2c) State how much fuel in MWh your organization has consumed (excluding feedstocks) by fuel type.

Sustainable biomass

Heating value

HHV

Total fuel MWh consumed by the organization

0

MWh fuel consumed for self-generation of heat

0

MWh fuel consumed for self-generation of steam

0

Comment

Other biomass

Heating value

HHV

Total fuel MWh consumed by the organization

0

MWh fuel consumed for self-generation of heat

0

MWh fuel consumed for self-generation of steam

0

Comment

Other renewable fuels (e.g. renewable hydrogen)

Heating value

HHV

Total fuel MWh consumed by the organization

0

MWh fuel consumed for self-generation of heat

0

MWh fuel consumed for self-generation of steam

0

Comment

Coal

Heating value

HHV

Total fuel MWh consumed by the organization

0

MWh fuel consumed for self-generation of heat

0

MWh fuel consumed for self-generation of steam

0

Comment

Oil

Heating value

HHV

Total fuel MWh consumed by the organization

0

MWh fuel consumed for self-generation of heat

0

MWh fuel consumed for self-generation of steam

0

Comment

Gas

Heating value

HHV

Total fuel MWh consumed by the organization

2,234,211

MWh fuel consumed for self-generation of heat

0

MWh fuel consumed for self-generation of steam

687,232

Comment

Other non-renewable fuels (e.g. non-renewable hydrogen)

Heating value

HHV

Total fuel MWh consumed by the organization

282,126

MWh fuel consumed for self-generation of heat

0

MWh fuel consumed for self-generation of steam

0

Comment

Diesel and Propane.

Total fuel

Heating value

HHV

Total fuel MWh consumed by the organization

2,516,337

MWh fuel consumed for self-generation of heat

0

MWh fuel consumed for self-generation of steam

687,232

Comment

C8.2d

(C8.2d) Provide details on the electricity, heat, steam, and cooling your organization has generated and consumed in the reporting year.

	Total Gross generation (MWh)	Generation that is consumed by the organization (MWh)	Gross generation from renewable sources (MWh)	Generation from renewable sources that is
--	------------------------------	---	---	---

				consumed by the organization (MWh)
Electricity	0	0	0	0
Heat	0	0	0	0
Steam	687,232	687,232	0	0
Cooling	0	0	0	0

C8.2g

(C8.2g) Provide a breakdown by country/area of your non-fuel energy consumption in the reporting year.

Country/area

Canada

Consumption of purchased electricity (MWh)

144,012

Consumption of self-generated electricity (MWh)

0

Consumption of purchased heat, steam, and cooling (MWh)

0

Consumption of self-generated heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

144,012

C9. Additional metrics

C9.1

(C9.1) Provide any additional climate-related metrics relevant to your business.

Description

Energy usage

Metric value

13,304,847

Metric numerator

GJ

Metric denominator (intensity metric only)

23,882,306

% change from previous year

7

Direction of change

Decreased

Please explain

In 2022 energy intensity GJ per BOE of throughput decreased by 7% compared to 2021.

C-OG9.2a

(C-OG9.2a) Disclose your net liquid and gas hydrocarbon production (total of subsidiaries and equity-accounted entities).

	In-year net production	Comment
Crude oil and condensate, million barrels	13.85	Includes light, medium and heavy crude oil net of royalty. US volumes are not included as they are not within operational control.
Natural gas liquids, million barrels	0.58	Net of royalty. US volumes are not included as they are not within operational control.
Oil sands, million barrels (includes bitumen and synthetic crude)	0.55	Net of royalty. US volumes are not included as they are not within operational control.
Natural gas, billion cubic feet	15.32	Net of royalty. US volumes are not included as they are not within operational control.

C-OG9.2b

(C-OG9.2b) Explain which listing requirements or other methodologies you use to report reserves data. If your organization cannot provide data due to legal restrictions on reporting reserves figures in certain countries/areas, please explain this.

The Baytex reserves report have been prepared in accordance with the standards contained in the Canadian Oil and Gas Evaluations Handbook (COGEH) and reserves definitions as per National Instrument 51-101 Standards for Disclosure for Oil and Gas Activities.

C-OG9.2c

(C-OG9.2c) Disclose your estimated total net reserves and resource base (million boe), including the total associated with subsidiaries and equity-accounted entities.

	Estimated total net proved + probable reserves (2P) (million BOE)	Estimated total net proved + probable + possible reserves (3P) (million BOE)	Estimated net total resource base (million BOE)	Comment
Row 1	221.61	221.61	221.61	Our disclosure includes our net proved plus probable reserves. We do not provide disclosure of possible or contingent resources. US reserves are not included as they are not within operational control.

C-OG9.2d

(C-OG9.2d) Provide an indicative percentage split for 2P, 3P reserves, and total resource base by hydrocarbon categories.

	Net proved + probable reserves (2P) (%)	Net proved + probable + possible reserves (3P) (%)	Net total resource base (%)	Comment
Crude oil/ condensate/ natural gas liquids	70	70	70	Our disclosure includes our net proved plus probable reserves. We do not provide disclosure of possible or contingent resources. US reserves are not included as they are not within operational control.
Natural gas	11	11	11	Our disclosure includes our net proved plus probable reserves. We do not provide disclosure of possible or contingent resources. US reserves are not included as they are not within operational control.
Oil sands (includes bitumen and synthetic crude)	19	19	19	Our disclosure includes our net proved plus probable reserves. We do not provide disclosure of possible or contingent resources. US reserves are not included as they are not within operational control.

C-OG9.2e

(C-OG9.2e) Provide an indicative percentage split for production, 1P, 2P, 3P reserves, and total resource base by development types.

Development type

Tight/shale

In-year net production (%)

0

Net proved reserves (1P) (%)

12

Net proved + probable reserves (2P) (%)

12

Net proved + probable + possible reserves (3P) (%)

12

Net total resource base (%)

12

Comment

Our disclosure includes our net proved plus probable reserves. We do not provide disclosure of possible or contingent resources. US reserves are not included as they are not within operational control.

Development type

Oil sand/extra heavy oil

In-year net production (%)

0

Net proved reserves (1P) (%)

4

Net proved + probable reserves (2P) (%)

19

Net proved + probable + possible reserves (3P) (%)

19

Net total resource base (%)

19

Comment

Our disclosure includes our net proved plus probable reserves. We do not provide disclosure of possible or contingent resources. US reserves are not included as they are not within operational control.

Development type

Other, please specify
Heavy Oil

In-year net production (%)

0

Net proved reserves (1P) (%)

38

Net proved + probable reserves (2P) (%)

33

Net proved + probable + possible reserves (3P) (%)

33

Net total resource base (%)

33

Comment

These volumes represent our volumes attributed to Heavy Oil (9-17 API) development type. Our disclosure includes our net proved plus probable reserves. We do not provide disclosure of possible or contingent resources. US reserves are not included as they are not within operational control.

Development type

Other, please specify
Conventional

In-year net production (%)

0

Net proved reserves (1P) (%)

46

Net proved + probable reserves (2P) (%)

36

Net proved + probable + possible reserves (3P) (%)

36

Net total resource base (%)

36

Comment

These volumes represent our volumes attributed to a Conventional development type. Our disclosure includes our net proved plus probable reserves. We do not provide disclosure of possible or contingent resources. US reserves are not included as they are not within operational control.

C-OG9.5a/C-CO9.5a

(C-OG9.5a/C-CO9.5a) Break down, by fossil fuel expansion activity, your organization’s CAPEX in the reporting year and CAPEX planned over the next 5 years.

	CAPEX in the reporting year for this expansion activity (unit currency as selected in C0.4)	CAPEX in the reporting year for this expansion activity as % of total CAPEX in the reporting year	CAPEX planned over the next 5 years for this expansion activity as % of total CAPEX planned over the next 5 years	Explain your CAPEX calculations, including any assumptions
Exploration of new oil fields	0	0	0	
Exploration of new natural gas fields	0	0	0	
Expansion of existing oil fields	508,160,000	97	97	Baytex is predominantly comprised of oil fields.
Expansion of existing natural gas fields	13,381,000	3	3	Conventional region development activities.

C-CE9.6/C-CG9.6/C-CH9.6/C-CN9.6/C-CO9.6/C-EU9.6/C-MM9.6/C-OG9.6/C-RE9.6/C-ST9.6/C-TO9.6/C-TS9.6

(C-CE9.6/C-CG9.6/C-CH9.6/C-CN9.6/C-CO9.6/C-EU9.6/C-MM9.6/C-OG9.6/C-RE9.6/C-ST9.6/C-TO9.6/C-TS9.6) Does your organization invest in research and development (R&D) of low-carbon products or services related to your sector activities?

	Investment in low-carbon R&D	Comment
Row 1	No	Emission reduction initiatives influence R&D investment as the company executes programs designed to mitigate climate-related risks. Examples

	would be: working closely with vendors to develop low gas volume high efficiency combustor and odour eliminating technologies.
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C-OG9.7

(C-OG9.7) Disclose the breakeven price (US\$/BOE) required for cash neutrality during the reporting year, i.e. where cash flow from operations covers CAPEX and dividends paid/ share buybacks.

45

C10. Verification

C10.1

(C10.1) Indicate the verification/assurance status that applies to your reported emissions.

	Verification/assurance status
Scope 1	Third-party verification or assurance process in place
Scope 2 (location-based or market-based)	Third-party verification or assurance process in place
Scope 3	No emissions data provided

C10.1a

(C10.1a) Provide further details of the verification/assurance undertaken for your Scope 1 emissions, and attach the relevant statements.

Verification or assurance cycle in place

Annual process

Status in the current reporting year

Complete

Type of verification or assurance

Reasonable assurance

Attach the statement

 12574487-LTR-4-2022 Assurance Letter.pdf

Page/ section reference

Verification scope included scope 1 emissions for the 2022 GHG inventory and a reasonable assurance opinion was provided by the third party verifier. Please see the attached.

Relevant standard

ISO14064-3

Proportion of reported emissions verified (%)

100

C10.1b

(C10.1b) Provide further details of the verification/assurance undertaken for your Scope 2 emissions and attach the relevant statements.

Scope 2 approach

Scope 2 location-based

Verification or assurance cycle in place

Annual process

Status in the current reporting year

Complete

Type of verification or assurance

Reasonable assurance

Attach the statement

 12574487-LTR-4-2022 Assurance Letter.pdf

Page/ section reference

Verification scope included scope 2 emissions for the 2022 GHG inventory and a reasonable assurance opinion was provided by the third party verifier. Please see the attached.

Relevant standard

ISO14064-3

Proportion of reported emissions verified (%)

100


C10.2

(C10.2) Do you verify any climate-related information reported in your CDP disclosure other than the emissions figures reported in C6.1, C6.3, and C6.5?

Yes

C10.2a

(C10.2a) Which data points within your CDP disclosure have been verified, and which verification standards were used?

 12574487-LTR-4-2022 Assurance Letter.pdf

Disclosure module verification relates to	Data verified	Verification standard	Please explain
C6. Emissions data	Year on year change in emissions (Scope 1 and 2)	ISO14064-3	Verification of scope 1, scope 2, scope 1 intensity, and scope 1 and 2 intensity completed for 2022 emissions data.

C11. Carbon pricing

C11.1

(C11.1) Are any of your operations or activities regulated by a carbon pricing system (i.e. ETS, Cap & Trade or Carbon Tax)?

Yes

C11.1a

(C11.1a) Select the carbon pricing regulation(s) which impacts your operations.

Alberta TIER - ETS

Canada federal Output Based Pricing System (OBPS) - ETS

Saskatchewan OBPS - ETS

C11.1b

(C11.1b) Complete the following table for each of the emissions trading schemes you are regulated by.

Alberta TIER - ETS

% of Scope 1 emissions covered by the ETS

31

% of Scope 2 emissions covered by the ETS

0

Period start date

January 1, 2022

Period end date

December 31, 2022

Allowances allocated

381,235

Allowances purchased

0

Verified Scope 1 emissions in metric tons CO2e

308,757

Verified Scope 2 emissions in metric tons CO2e

0

Details of ownership

Facilities we own and operate

Comment

In the Province of Alberta, the Technology Innovation and Emission Reduction (TIER) regulation applies to facilities that emit more than 100,000 tCO₂e. None of our facilities meet this criteria; however, we chose to opt into this provincial regulation by aggregating our operated facilities. By opting in we fall under the provincial regulations, and are not subject to the federal carbon pricing system. The Alberta regulation requires an immediate 10 per cent reduction from a 2020 benchmark. To the extent a company does not meet the required reduction (which can be met through abatement, offsets or payment into a compliance fund), annual compliance fees apply to the excess regulated emissions. At a minimum, the province matches the federal carbon pricing schedule and applies this price to the excess emissions.

For 2022, regulated emissions in TIER represent 31% of total scope 1 emissions. The 2022 compliance return obligation was -72,478 tonnes CO₂e, with fuel combustion reductions beyond the reduction required from the baseline. Credits are expected to be reviewed and issued by Alberta Environment and Parks in September 2023.

Canada federal OBPS - ETS

% of Scope 1 emissions covered by the ETS

100

% of Scope 2 emissions covered by the ETS

100

Period start date

January 1, 2022

Period end date

December 31, 2022

Allowances allocated

0

Allowances purchased

0

Verified Scope 1 emissions in metric tons CO₂e

0

Verified Scope 2 emissions in metric tons CO₂e

0

Details of ownership

Facilities we own and operate

Comment

In Canada, all operated facilities are registered in the provinces where we operate and federally with ECCC and CRA. The federally equivalent provincial performance standards apply in the Province of Saskatchewan (OBPS) and the Province of Alberta (TIER). We therefore have no obligations for registered facilities under the federal backstop pricing system.

Saskatchewan OBPS - ETS

% of Scope 1 emissions covered by the ETS

19

% of Scope 2 emissions covered by the ETS

0

Period start date

January 1, 2032

Period end date

December 31, 2022

Allowances allocated

160,075

Allowances purchased

14,643

Verified Scope 1 emissions in metric tons CO₂e

174,718

Verified Scope 2 emissions in metric tons CO₂e

0

Details of ownership

Facilities we own and operate

Comment

In the Province of Saskatchewan, the Output-Based Performance Standard regulation applies to facilities emitting more than 25,000 tCO₂e. We elected to register our Kerrobert SAGD facility, even though it is under this threshold. For the remainder of our

operated facilities in Saskatchewan, we have opted into this provincial regulation by aggregating them. As a result our operated facilities are not directly subject to the federal carbon pollution pricing system. In 2022, this provincial program required an annual 1.25 per cent reduction in stationary combustion emissions escalating to a total 15 per cent reduction by 2030 when compared to a 2019 baseline. To the extent a company does not meet the required reduction, annual compliance fees apply to the excess regulated emissions. At a minimum, the province matches the federal carbon pricing schedule and applies this price to the excess emissions.

For 2022, regulated emissions in SK OBPS represent 19% of total scope 1 emissions. Purchased allowances are an estimate, with compliance returns being reviewed by the Province in Fall 2023.

C11.1d

(C11.1d) What is your strategy for complying with the systems you are regulated by or anticipate being regulated by?

In the jurisdictions Baytex operates, management monitors and reviews developments to provincial and federal carbon tax policies and the implementation of carbon pricing schemes.

Carbon pricing in Canada increased from \$40 per tonne of CO₂e (tCO₂e) in 2021 to \$50 per tCO₂e in 2022, and will continue to increase \$15 per tCO₂e annually to \$170 per tCO₂e in 2030. There are direct costs of compliance fees in performance standards, as well as inflationary influences on the cost of services and products as carbon pricing increases.

Our risk assessments consider the current and proposed legislative methane and emission requirements.

- » We are registered in performance standards in Alberta and Saskatchewan that significantly lower our direct costs and financial exposure to carbon pricing in our operations.
- » Emissions reduction initiatives are focused on maintaining compliance in a tightening regulatory environment and reducing our financial exposure to carbon pricing in the future.

As part of the transition risk scenario analysis we conducted, we tested the impact of different carbon prices. We included prices announced by the Canadian Federal government (\$170 in 2030) and different taxable rates. As the details of implementation of the Canadian 2030 Emissions Reduction Plan become clearer, we will share more of our analysis with our investors.

C11.2

(C11.2) Has your organization canceled any project-based carbon credits within the reporting year?

No

C11.3

(C11.3) Does your organization use an internal price on carbon?

No, but we anticipate doing so in the next two years

C12. Engagement

C12.1

(C12.1) Do you engage with your value chain on climate-related issues?

Yes, our suppliers

C12.1a

(C12.1a) Provide details of your climate-related supplier engagement strategy.

Type of engagement

Innovation & collaboration (changing markets)

Details of engagement

Other, please specify

Collaborate with suppliers on abatement technologies

% of suppliers by number

% total procurement spend (direct and indirect)

% of supplier-related Scope 3 emissions as reported in C6.5

Rationale for the coverage of your engagement

To aid in achieving our GHG reduction target and support ongoing activities associated with methane mitigation and emission reduction projects.

Impact of engagement, including measures of success

Adapting mitigation technologies to meet our operational needs resulting in the reduction of emissions.

Comment

Type of engagement

Information collection (understanding supplier behavior)

Details of engagement

Other, please specify
Responsible supply change behaviors

% of suppliers by number

% total procurement spend (direct and indirect)

% of supplier-related Scope 3 emissions as reported in C6.5

Rationale for the coverage of your engagement

We evaluate the safety performance of contractors who work at our sites or who transport our product by truck. All contractors must abide by our Health, Safety, and Environment guidelines, and trucking contractors must abide by Transportation of Dangerous Goods regulations.

Impact of engagement, including measures of success

Our selection criteria includes historic safety and spill performance. The evaluation of this criteria promotes overall responsible supply chain behaviors.

Comment

C12.2

(C12.2) Do your suppliers have to meet climate-related requirements as part of your organization's purchasing process?

No, and we do not plan to introduce climate-related requirements within the next two years

C12.3

(C12.3) Does your organization engage in activities that could either directly or indirectly influence policy, law, or regulation that may impact the climate?

Row 1

External engagement activities that could directly or indirectly influence policy, law, or regulation that may impact the climate

Yes, we engage directly with policy makers
Yes, our membership of/engagement with trade associations could influence policy, law, or regulation that may impact the climate

Does your organization have a public commitment or position statement to conduct your engagement activities in line with the goals of the Paris Agreement?

No, and we do not plan to have one in the next two years

Describe the process(es) your organization has in place to ensure that your external engagement activities are consistent with your climate commitments and/or climate transition plan

Before engaging with trade associations, government or regulators on topics of climate change policy or regulations, Baytex staff and executives meet to align on the purpose and objectives of the engagement.

C12.3a

(C12.3a) On what policy, law, or regulation that may impact the climate has your organization been engaging directly with policy makers in the reporting year?

Specify the policy, law, or regulation on which your organization is engaging with policy makers

Baytex engages with regulatory and government agencies regarding the implementation and interpretation of various climate-related policies and regulations. This includes and is not limited to:

- Alberta Energy Regulator
- Alberta Environment and Parks
- Alberta Methane Emissions Program
- Saskatchewan Ministry of Energy and Resources
- Saskatchewan Ministry of Environment
- Saskatchewan Climate Resiliency Branch
- Environment and Climate Change Canada
- Natural Resources Canada

Category of policy, law, or regulation that may impact the climate

Carbon pricing, taxes, and subsidies

Focus area of policy, law, or regulation that may impact the climate

Carbon taxes

Other, please specify

Mandatory climate-related reporting, Methane emissions

Policy, law, or regulation geographic coverage

Regional

Country/area/region the policy, law, or regulation applies to

Canada

Your organization's position on the policy, law, or regulation

Support with minor exceptions

Description of engagement with policy makers

Baytex engages with policy makers to provide feedback and obtain guidance on the application, implementation and interpretation of policies as they relate to our operations. We comply with government requirements in the areas where we operate.

Details of exceptions (if applicable) and your organization's proposed alternative approach to the policy, law or regulation

Have you evaluated whether your organization's engagement on this policy, law, or regulation is aligned with the goals of the Paris Agreement?

Yes, we have evaluated, and it is aligned

C12.3b

(C12.3b) Provide details of the trade associations your organization is a member of, or engages with, which are likely to take a position on any policy, law or regulation that may impact the climate.

Trade association

Other, please specify

Explorers and Producers Association of Canada (EPAC)

Is your organization's position on climate change policy consistent with theirs?

Consistent

Has your organization attempted to influence their position in the reporting year?

No, we did not attempt to influence their position

Describe how your organization's position is consistent with or differs from the trade association's position, and any actions taken to influence their position

EPAC advocates on behalf of its Canadian conventional energy producer member companies for government policy that promotes a thriving energy sector. This includes climate-change regulations and policies in the jurisdictions where Baytex operates.

EPAC's vision is to:

- Advocate to governments, policy makers and regulators.
- Communicate our association's views to the public and media.
- Educate Canadians about our energy industry.

Funding figure your organization provided to this trade association in the reporting year (currency as selected in C0.4)

Describe the aim of your organization's funding

Have you evaluated whether your organization’s engagement with this trade association is aligned with the goals of the Paris Agreement?

Yes, we have evaluated, and it is aligned

C12.4

(C12.4) Have you published information about your organization’s response to climate change and GHG emissions performance for this reporting year in places other than in your CDP response? If so, please attach the publication(s).

Publication

Other, please specify
TCFD Report

Status

Complete

Attach the document

 2022 Baytex TCFD Report FINAL.pdf

Page/Section reference

Throughout entire document attached.

Content elements

Governance
Strategy
Risks & opportunities
Emissions figures
Emission targets
Other metrics
Other, please specify
Scenario analysis

Comment

Please see the attached 2022 TCFD Report.

Publication

In voluntary sustainability report

Status

Complete

Attach the document

 2022 Baytex ESG Report FINAL.pdf

Page/Section reference

Content elements

- Governance
- Strategy
- Risks & opportunities
- Emissions figures
- Emission targets

Comment

C12.5

(C12.5) Indicate the collaborative frameworks, initiatives and/or commitments related to environmental issues for which you are a signatory/member.

Environmental collaborative framework, initiative and/or commitment	
Row 1	We are not a signatory/member of any collaborative framework, initiative and/or commitment related to environmental issues

C15. Biodiversity

C15.1

(C15.1) Is there board-level oversight and/or executive management-level responsibility for biodiversity-related issues within your organization?

	Board-level oversight and/or executive management-level responsibility for biodiversity-related issues	Description of oversight and objectives relating to biodiversity
Row 1	Yes, both board-level oversight and executive management-level responsibility	The Reserves and Sustainability Committee has the highest level of oversight for sustainability-related matters, including health, safety, environment, and climate. Executive level oversight on environmental matters, including biodiversity and reclamation activities, is the responsibility of the Chief Operating Officer. As part of our development planning and operations we focus

		<p>on minimizing our environmental footprint. We comply with government requirements protecting biodiversity in the areas we operate.</p> <p>Baytex takes a proactive approach to restoring our end-of-life assets to their pre-disturbance state. Baytex has made a long-term commitment to restore its 2020 inactive inventory of 4,500 wells to zero by 2040. Our short-term commitment is to spend \$100 million or \$20 million per year, from 2022 to 2026 on these activities.</p>
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C15.2

(C15.2) Has your organization made a public commitment and/or endorsed any initiatives related to biodiversity?

Indicate whether your organization made a public commitment or endorsed any initiatives related to biodiversity	
Row 1	No, and we do not plan to do so within the next 2 years

C15.3

(C15.3) Does your organization assess the impacts and dependencies of its value chain on biodiversity?

Impacts on biodiversity

Indicate whether your organization undertakes this type of assessment

No and we don't plan to within the next two years

Dependencies on biodiversity

Indicate whether your organization undertakes this type of assessment

No and we don't plan to within the next two years

C15.4

(C15.4) Does your organization have activities located in or near to biodiversity-sensitive areas in the reporting year?

Yes

C15.4a

(C15.4a) Provide details of your organization's activities in the reporting year located in or near to biodiversity -sensitive areas.

Classification of biodiversity -sensitive area

Other biodiversity sensitive area, please specify
Chinchaga Region

Country/area

Canada

Name of the biodiversity-sensitive area

Chinchaga Region

Proximity

Overlap

Briefly describe your organization's activities in the reporting year located in or near to the selected area

We previously operated five wells, two remote sumps, and associated access roads in the Chinchaga Region. All sites are now abandoned and reclaimed and are currently in the vegetation monitoring stage.

Indicate whether any of your organization's activities located in or near to the selected area could negatively affect biodiversity

Yes, but mitigation measures have been implemented

Mitigation measures implemented within the selected area

Restoration

Explain how your organization's activities located in or near to the selected area could negatively affect biodiversity, how this was assessed, and describe any mitigation measures implemented

From initial project construction to end-of-life restoration, our operating activities can impact land and wildlife near our sites. Baytex adheres to protection protocols set out by provincial and federal bodies (e.g., federal Migratory Birds Convention Act, Species at Risk Act, and Canada Wildlife Act) and, in many cases, goes beyond regulatory requirements to prevent unnecessary disruption. We work to prevent and mitigate disturbances to the local ecosystems throughout the entire life cycle of a project. Through careful planning, thoughtful development, consistent monitoring, and a robust reclamation program, we have built responsible land stewardship into each stage of an asset's life.

To mitigate our impacts on biodiversity in the areas we operate, we conduct pre-disturbance reviews to identify potential impacts associated with development. This includes locating sensitive wildlife zones, nearby water bodies, and historically significant areas. In addition, we decrease the amount of land disturbance while increasing production by utilizing extended-reach horizontal drilling, building new multi-well pads, and expanding existing sites to accommodate multi-well operations. To mitigate the impacts on biodiversity due to spills, we prioritize maintenance, inspection, monitoring, and mitigation programs designed to reduce the risk and potential severity of spills from our trucks, tanks, and pipelines.

Once our assets have reached the end of their productive life, we begin a comprehensive restoration plan covering expected reclamation activities and potential challenges which are updated and reviewed regularly.

C15.5

(C15.5) What actions has your organization taken in the reporting year to progress your biodiversity-related commitments?

	Have you taken any actions in the reporting period to progress your biodiversity-related commitments?
Row 1	No, and we do not plan to undertake any biodiversity-related actions


C15.6

(C15.6) Does your organization use biodiversity indicators to monitor performance across its activities?

	Does your organization use indicators to monitor biodiversity performance?	Indicators used to monitor biodiversity performance
Row 1	No	

C15.7

(C15.7) Have you published information about your organization’s response to biodiversity-related issues for this reporting year in places other than in your CDP response? If so, please attach the publication(s).

Report type	Content elements	Attach the document and indicate where in the document the relevant biodiversity information is located
In voluntary sustainability report or other voluntary communications	Content of biodiversity-related policies or commitments Impacts on biodiversity Biodiversity strategy	 1

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C16. Signoff

C-FI

(C-FI) Use this field to provide any additional information or context that you feel is relevant to your organization's response. Please note that this field is optional and is not scored.

C16.1

(C16.1) Provide details for the person that has signed off (approved) your CDP climate change response.

	Job title	Corresponding job category
Row 1	Director, Sustainability	Environment/Sustainability manager

Submit your response

In which language are you submitting your response?

Please confirm how your response should be handled by CDP

	I understand that my response will be shared with all requesting stakeholders	Response permission
Please select your submission options	Yes	Public

Please confirm below

I have read and accept the applicable Terms