

# Extractive Sector Transparency Measures Act - Annual Report



<b>Reporting Entity Name</b>	Veren Inc.					
<b>Reporting Year</b>	<b>From</b>	1/1/2023	<b>To:</b>	12/31/2023	<b>Date submitted</b>	9/11/2024
<b>Reporting Entity ESTMA Identification Number</b>	E199156	<input type="radio"/> Original Submission <input checked="" type="radio"/> Amended Report		<b>Report Version</b>		2
<b>Other Subsidiaries Included</b> (optional field)						
<b>For Consolidated Reports - Subsidiary Reporting Entities Included in Report:</b>	E490061 Veren Partnership, E707333 Veren U.S. Corp., E976960 Veren Holdings Ltd., E400251 Veren LNG Corp., E597558 Veren Rockies Corp., E024996 Inception General Partner Inc.					
<b>Not Substituted</b>						
<b>Attestation by Reporting Entity</b>	<p><i>In accordance with the requirements of the ESTMA, and in particular section 9 thereof, I attest I have reviewed the information contained in the ESTMA report for the entity(ies) listed above. Based on my knowledge, and having exercised reasonable diligence, the information in the ESTMA report is true, accurate and complete in all material respects for the purposes of the Act, for the reporting year listed above.</i></p>					
<b>Full Name of Director or Officer of Reporting Entity</b>	Michael Politeski			<b>Date</b>	9/10/2024	
<b>Position Title</b>	Senior Vice President, Finance & Treasurer					

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**Currency of the Report** CAD

### Payments by Payee

Country	Payee Name <sup>1</sup>	Departments, Agency, etc... within Payee that Received Payments <sup>2</sup>	Taxes	Royalties	Fees	Production Entitlements	Bonuses	Dividends	Infrastructure Improvement Payments	Total Amount paid to Payee	Notes <sup>34</sup>
Canada	GOVERNMENT OF CANADA				420,000					420,000	Agriculture & Agri-Food Canada, Competition Bureau, Environment and Climate Control Canada, Receiver General for Canada, Receiver General for Canada Public Lands/Frontier Lands Management Division
Canada	INDIAN OIL AND GAS CANADA			1,870,000	490,000					2,360,000	Receiver General for Canada
Canada -Alberta	GOVERNMENT OF ALBERTA		210,000	144,280,000	5,210,000		26,790,000			176,490,000	Royalties include payments in kind of \$53.8MM for 562,106 boe at Veren's realized price. Alberta Boilers Safety Association, Alberta Energy Regulator, Alberta Infrastructure & Transportation, Alberta Petroleum Marketing Commission, Alberta Securities Commission, Minister of Finance - Alberta, Special Areas Board
Canada -Saskatchewan	GOVERNMENT OF SASKATCHEWAN		53,460,000	86,930,000	7,610,000		1,540,000			149,540,000	Minister of Finance, Ministry of Agriculture, Saskatchewan Ministry of Energy & Resources, Saskatchewan Power Corporation, Saskatchewan Abilities Council, Saskatchewan Power Corporation, Saskatchewan Safety Council, SaskTel, Technical Safety Authority of Saskatchewan, University of Regina, University of Saskatchewan, Water Security Agency
Canada	ALEXANDER FIRST NATION				140,000					140,000	Alexander Industry Relations Corporation, Alexander Safety
Canada	ELIZABETH METIS SETTLEMENT				280,000					280,000	
Canada	FISHING LAKE METIS SETTLEMENT				130,000					130,000	
Canada	FLYING DUST FIRST NATION			130,000						130,000	Flying Energy Oil & Gas Limited
Canada	STURGEON LAKE CREE NATION				270,000					270,000	
Canada	SWAN RIVER FIRST NATION				110,000					110,000	
Canada -Alberta	COUNTY OF BIG LAKES		2,180,000							2,180,000	
Canada -Alberta	COUNTY OF WOODLANDS		380,000							380,000	
Canada -Alberta	COUNTY OF YELLOWHEAD		120,000							120,000	
Canada -Alberta	MUNICIPAL DISTRICT OF FOOTHILLS		1,220,000							1,220,000	Foothills Regional Service Commission
Canada -Alberta	MUNICIPAL DISTRICT OF GREENVIEW		3,960,000							3,960,000	
Canada -Saskatchewan	RURAL MUNICIPALITY OF ARLINGTON		2,970,000							2,970,000	
Canada -Saskatchewan	RURAL MUNICIPALITY OF BENSON		790,000							790,000	
Canada -Saskatchewan	RURAL MUNICIPALITY OF BONE CREEK		720,000							720,000	
Canada -Saskatchewan	RURAL MUNICIPALITY OF BROCK		960,000	380,000						1,340,000	
Canada -Saskatchewan	RURAL MUNICIPALITY OF CAMBRIA		1,790,000							1,790,000	
Canada -Saskatchewan	RURAL MUNICIPALITY OF CARMICHAEL		620,000							620,000	
Canada -Saskatchewan	RURAL MUNICIPALITY OF CYMRI		240,000							240,000	
Canada -Saskatchewan	RURAL MUNICIPALITY OF FRONTIER		550,000							550,000	
Canada -Saskatchewan	RURAL MUNICIPALITY OF GOLDEN WEST		550,000							550,000	

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Canada -Saskatchewan	RURAL MUNICIPALITY OF GRIFFIN		1,420,000							1,420,000	
Canada -Saskatchewan	RURAL MUNICIPALITY OF HAZELWOOD		500,000							500,000	
Canada -Saskatchewan	RURAL MUNICIPALITY OF LAKE ALMA		320,000							320,000	
Canada -Saskatchewan	RURAL MUNICIPALITY OF RENO		110,000							110,000	
Canada -Saskatchewan	RURAL MUNICIPALITY OF RIVERSIDE		1,140,000							1,140,000	
Canada -Saskatchewan	RURAL MUNICIPALITY OF SURPRISE VALLEY		190,000							190,000	
Canada -Saskatchewan	RURAL MUNICIPALITY OF TECUMSEH		5,410,000	300,000						5,710,000	
Canada -Saskatchewan	RURAL MUNICIPALITY OF WEBB		150,000							150,000	
Canada -Saskatchewan	RURAL MUNICIPALITY OF WHITE VALLEY		2,390,000							2,390,000	
Canada -Saskatchewan	RURAL MUNICIPALITY OF SOURIS VALLEY		1,890,000							1,890,000	
United States of America	STATE OF NORTH DAKOTA		61,370,000	8,060,000						69,430,000	USD converted to Canadian equivalent at the December 31, 2023 rate of 1.3205. North Dakota Department of Trust Lands, North Dakota Office of State Tax Commissioner

**Additional Notes:** On May 10, 2024, as part of the rebranding, Crescent Point Energy Corp. changed its name to Veren Inc., and the subsidiaries have changed their names accordingly. Reason for amendment: payments previously reported as production entitlements under the Government of Alberta and Government of Saskatchewan corrected to bonus payments.



## **Introduction**

This Report contains payments to government entities made by Veren Inc. and its subsidiaries (the “Company” or “Veren”) for the year ended December 31, 2023, as per the Government of Canada’s requirement to report under the Extractive Sector Transparency Measures Act S.C. 2014, c.39, s.376 (“the Act”).

## **Basis of preparation**

This Report has been prepared in accordance with the Act and the current Technical Reporting Specifications as published by Natural Resources Canada (“NRCan”).

## **Payee**

For purposes of the Act, a payee is:

- a) Any government in Canada or in a foreign state.
- b) A body that is established by two or more governments
- c) Any trust, board, commission, corporation or body or other authority that is established to exercise or perform, or that exercises or performs, a power, duty or function of a government for a government referred to in paragraph (a) above or a body referred to in paragraph (b) above.

Payees include governments at any level, including national, regional, state/provincial or local/municipal levels. Payees include Crown corporations and other state-owned enterprises that are exercising or performing a power, duty or function of government.

Indigenous groups and organizations within Canada and in other jurisdictions may be regarded as governments for purposes of qualifying as a payee under the Act.

## **Activities**

Payments made by Veren arising from activities pertaining to the key phases of commercial development of oil, gas and minerals are included in this Report. Excluded from the Report are payments that are not related to Veren’s commercial development activities, as defined by the Act and the ESTMA Guidance published by NRCan.

## **Project**

Payments are reported on a cash generating unit (CGU) level as determined for financial statement reporting purposes. Those payments which are not attributable to a specific project are reported at entity level.

## **Cash and in-kind payments**

Payments are reported on a cash basis. In-kind payments are converted to an equivalent cash value based on the most appropriate and relevant valuation method for each payment. All payments made by Veren in this Report were on a cash basis with the exception of the Alberta oil crown royalty.



The Alberta oil crown royalty payment was made in-kind by allocating volumes to APMC. The value of the crown royalty volume is calculated based on the market price received by Veren each month.

All payments made in foreign currencies are converted to the Canadian equivalent based on the year end foreign exchange rate. Payments to the “same payee” that meet or exceed \$100,000 Canadian equivalent in one category of payment are disclosed and rounded to the nearest \$10,000.

### **Joint control**

Where Veren or any of its subsidiaries make a payment (cash or take in-kind) directly to a Payee arising from a project, regardless of whether Veren is the operator, the full amount paid is disclosed irrespective of whether costs are subsequently recovered through cost sharing arrangements. Payments made by other entities with which Veren has a joint venture agreement are excluded except for certain payments made for Veren’s non-operated assets whereby the operator is not subject to the Act. These payments are included based on the best information available as disclosed by the operators.

### **Payment Categories**

Payment amounts are reported under the following payment categories.

#### **Taxes**

These are payments made for taxes on income, profits or production in relation to the commercial development of oil, gas or minerals. Excluded are taxes levied on consumption and personal income tax.

#### **Royalties**

These are payments for the rights to extract oil and gas resources, typically at set percentage of revenue less any deductions that may be taken. Royalties paid in-kind are included.

#### **Fees**

The payments in this category include rental fees, regulatory charges as well as fees for licenses, permits or concessions. Amounts paid in ordinary course commercial transactions in exchange for services provided by a payee are excluded.

#### **Production entitlements**

These are payments pertaining to a payee’s share of oil, gas or mineral production under a production sharing agreement or similar contractual or legislated arrangement. There were no reportable production entitlement payments made to a payee during the year ended December 31, 2023.



### **Bonuses**

These are payments made to a payee for signing, discovery, production and any other type of bonuses paid in relation to the commercial development of oil, gas or minerals.

### **Dividends**

These are dividend payments other than dividends paid to a payee as an ordinary shareholder of an entity unless paid in lieu of production entitlements or royalties. There were no reportable dividend payments made to a payee during the year ended December 31, 2023.

### **Infrastructure improvement payments**

These are payments made to a payee which relate to the construction of infrastructure (i.e., road, bridge or rail) not substantially dedicated for the operational activities of Veren. The assignment or transfer of infrastructure no longer substantially dedicated for the operational activities of Veren would also be included in these payments. There were no reportable infrastructure improvement payments made to a payee during the year ended December 31, 2023.