

ESG Performance Tables



ENVIRONMENT		2018	2019
AIR, GREENHOUSE GAS EMISSIONS⁽¹⁾			
Greenhouse gas emissions, direct (scope 1)	tonnes CO ₂ e	537,456	na
Intensity of greenhouse gas emissions, direct (scope 1)	tonnes CO ₂ e/m ³	0.1078	na
Greenhouse gas emissions, indirect (scope 2)	tonnes CO ₂ e	171,486	na
Intensity of greenhouse gas emissions, indirect (scope 2)	tonnes CO ₂ e/m ³	0.0344	na
Total gas flared	e ³ m ³	15,831	na
Total gas vented	e ³ m ³	582	na
Nitrogen oxides (NO _x)	tonnes NO _x	3,961	na
Sulphur dioxide (SO ₂)	tonnes SO ₂	1,505	na
Methane emissions	tonnes CH ₄	3,860	na
ENERGY, WATER USE, RELEASES			
Fresh water withdrawal	m ³	730,000	na
Non-potable water withdrawal	m ³	-	na
Releases - number of regulatory reportable spills	#	32	21
Releases - volume of regulatory reportable spills	m ³	424.8	69.5
RECLAMATION			
Well reclamation certificates received	#	41	87
Decommissioning expenditures ⁽²⁾	\$M	\$ 29,390	\$ 43,406

Additional Information

Policies and Stewardship:

- Paramount's environmental policies and programs are overseen by the Environmental, Health and Safety Committee of our Board of Directors. Paramount's key health and safety policies, programs and practices are described in our Annual Information Form and on our website

Air:

- Paramount actively monitors fugitive emissions at all operated wells, pipelines, and facilities in accordance with provincial regulations
- Paramount maintains a Methane Reduction Retrofit Compliance Plan designed to lower methane emissions in accordance with Directive 60 of the Alberta Energy Regulator
- In 2018 and 2019 Paramount replaced approximately 1,700 high-bleed controllers at various sites with modern low-bleed units. These low-bleed controllers are expected to eliminate approximately 120,000 tonnes of GHG emissions annually from these locations (some of which were sold in December 2019)

Water:

- Paramount has a dedicated Water Management team responsible for developing short- and long-term strategies of sourcing water in an environmentally responsible way
- Paramount collaborates with energy industry partners to reduce the footprint necessary for water storage

Land & Reclamation:

- Paramount participates in the Area Based Closure program introduced by the Alberta Energy Regulator that allows companies to approach abandonment and reclamation activities in an efficient and cost-effective manner by targeting efforts in a concentrated area
- Paramount's strategy is to utilize the advantages of the Area Based Closure program by focusing its abandonment and reclamation activities on the Hawkeye field, which was shut-in in 2018, and the Zama field, which was shut-in in 2019

Footnotes:

(1) No single industry standard system for calculating and aggregating GHG, NO_x, SO₂ emissions and other sustainability metrics exists.

Therefore, such information may not be comparable with similar information reported by other companies

- Paramount's current NO_x, SO₂ and GHG emissions have been reduced from 2018 levels as a result of a number of steps taken by the Company in 2019 which included the permanent shut-in of legacy operations at Zama and Hawkeye and the disposition of the Company's Karr 6-18 gas processing facility and a significant number of non-core wells and facilities in the Central Alberta Region and the continuation of the program to install low-bleed controllers at remaining sites. These GHG, NO_x and SO₂ emission reductions will be captured in further updates to this report.

(2) Abandonment and reclamation spending plus area closure costs

na - Data not available at this time

ESG Performance Tables



SOCIAL

2018 2019

OUR PEOPLE

Employees - full-time	#	582	498
Employees - part-time	#	10	11
Contractors	#	154	130
Total staff	#	746	639
Voluntary Turnover	%	10%	7%

DIVERSITY

Women in the workforce	%	36%	36%
Women in supervisory and professional positions	%	34%	33%
Women in Management and Executive Team	%	21%	24%
Women on Board of Directors	%	11%	11%

WORKFORCE AGE CATEGORIES

30 and Under	%	10%	8%
31-50	%	56%	58%
Over 50	%	34%	34%

WORKFORCE DEVELOPMENT

Training and education	\$M	\$	323	\$	447
Training and education per employee	\$/employee		557		900

Paramount's Code of Ethics and Code of Business Conduct are available on our website. Paramount employees strive for a community of inclusion where we execute using a team-based approach to foster open communication and a variety of perspectives to further Paramount's objective of profitable growth. Employees and other staff are expected and required to adhere to the highest ethical standards when conducting business for and on behalf of Paramount. Paramount is an equal opportunity employer and is committed to creating and maintaining an environment that respects diverse traditions, heritages, and experiences.

HEALTH AND SAFETY

2018 2019

Lost time frequency - employee	<i>cases per 200,000 work hours</i>	0.00	0.00
Lost time frequency - service provider	<i>cases per 200,000 work hours</i>	0.12	0.06
Recordable injury frequency - employee	<i>cases per 200,000 work hours</i>	0.81	0.36
Recordable injury frequency - service provider	<i>cases per 200,000 work hours</i>	0.92	0.24
Fatalities - employee ⁽¹⁾	#	1	0
Fatalities - service employee	#	0	0
Full-field functional exercises		✓	✓
Table-top exercises		✓	✓

Paramount's health and safety policies and programs are overseen by the Environmental, Health and Safety Committee of our Board of Directors. Paramount's key health and safety policies, programs and practices are described in our Annual Information Form and on our website.

Footnotes:

(1) Tragically in 2018 a Paramount employee was fatally injured during a workplace incident.

ESG Performance Tables



COMMUNITIES		2018	2019
Communities investment ⁽¹⁾	\$M	\$ 442	\$ 430
Employees - wages and benefits	\$M	\$ 85,133	\$ 74,591
Land owners - rentals and royalties	\$M	\$ 7,981	na
Governments - royalties, taxes, levies	\$M	\$ 114,440	na
Shareholders - value of share repurchases	\$M	\$ 66,254	\$ 14,340

Paramount strives to be a respected partner and contributor to the communities where we operate and where our employees live and work. We work together with communities and stakeholders through participation in local operator and community groups, open houses and individual stakeholder meetings and discussions. Paramount registers significant stakeholder concerns and tracks them through their lifecycle until resolution.

In addition to contributing to the communities where we operate by providing employment, utilizing local services and paying taxes, Paramount directly supports community not-for-profit organizations and events through donations and sponsorships, along with its people volunteering time in Paramount's "Days of Caring" program. "Days of Caring" is an initiative that brings Paramount employees together and connects them with local charities to volunteer and provide support where assistance is needed.

Paramount consults with Indigenous groups across its operations. In Alberta, we consult Indigenous groups on projects through the Aboriginal Consultation Office of the Government of Alberta. Paramount has entered into benefit plans and arrangements with Indigenous groups in the Yukon and Northwest Territories and has provided direct financial support to Indigenous organizations and communities.

Footnotes:

(1) - Includes direct donations, sponsorships, and company sponsored employee donation matching.

na - Data not available at this time

GOVERNANCE		2018	2019
Number of whistleblower reports	#	4	2
Insider ownership	%	46%	47%
Independent Board of Directors	%	78%	78%
Independent Lead Director		✓	✓
Fully independent Audit, Compensation, Corporate Governance and Reserves Committees		✓	✓
Minimum shareholding requirements for directors		✓	✓
Officers and directors prohibited from hedging Paramount securities		✓	✓
Loans to officers and directors prohibited		✓	✓
Code of Ethics and Code of Business Conduct		✓	✓
Anonymous Whistleblower Policy and portal		✓	✓

Paramount's Code of Business Conduct, Code of Ethics and Whistleblower Policy are available on our website and described in our Annual General Meeting information circular. Compliance is monitored by the Audit Committee receiving, annually, certificates from Paramount's officers and senior management confirming their compliance with the Code of Business Conduct and where applicable, the Code of Ethics. In addition to the annual certification of the officers, each employee and consultant receives an annual communication reiterating the need to comply with the Code of Business Conduct and reminding them that the Whistleblower Policy facilitates anonymous disclosure of any breach. Our website provides a link to a separate, stand alone website through which anonymous reports under the Whistleblower Policy may be made. Our Audit Committee oversees the response to complaints made under the Whistleblower Policy.

Descriptions of the composition and qualifications of our Board and its committees, share ownership by insiders, our corporate governance structure and practices and our key corporate governance documents can be found in our Annual Information Form and in our Annual General Meeting information circular.

ECONOMIC		2018	2019
Production	Boe/d	85,941	82,394
Petroleum and Natural Gas Sales	\$M	\$ 965,474	\$ 914,881
Royalties	\$M	\$ 69,183	\$ 63,319
Operating and Transportation expenditures	\$M	\$ 473,981	\$ 470,653
Capital expenditures	\$M	\$ 580,239	\$ 404,118
General and administrative expenses	\$M	\$ 58,586	\$ 52,573