



TIDEWATER
Midstream and Infrastructure Ltd.

The background of the cover is a large, triangular-shaped aerial photograph. The top portion of the triangle shows an industrial facility with numerous white storage tanks, pipes, and buildings, with some smoke or steam rising. Below this, the triangle widens to show a large, winding river with a prominent sandbar in the center. The river is flanked by dense forests with trees in various shades of green and yellow, suggesting an autumn setting. The entire image is framed by dark blue and green curved borders.

2021

Environmental, Social & Governance Report

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2020 Performance Highlights



Since our company was formed six years ago, we've grown our team to **415 employees**



Total recordable injury frequency (TRIF) of **0.77**



Our total emissions intensity is **0.013 tonnes CO₂e/boe**, a 30% decrease since 2018



Zero lost time injuries within the last three years



Average 0.13% of EBITDA
Invested back into society through community initiatives in past four years



Low employee turnover rate of **3.6%**



Six undergraduate students participated in our Annual Summer Student Program. Since inception, Tidewater has supported **106 students**



29% of Tidewater's Board of Directors are women

A Message From the CEO & Board

Environmental, social and governance (ESG) performance is key to Tidewater Midstream and Infrastructure's (Tidewater) business and we are proud to be publishing our inaugural ESG Report. Since the beginning, responsible development has been core to our company with the philosophy that it creates long-term value for our stakeholders and is the right thing to do.

Tidewater was formed in February 2015. We had a goal of delivering higher netbacks to our customers through unparalleled service and operational excellence and to be widely respected for our reliability, flexibility and sustainable asset development. As a Canadian midstream and infrastructure company, we are excited about our role within the energy industry to reliably and cost-effectively provide and transport energy to our customers. We started with six employees and have grown to a team of over 400 people. The primary actors that drive our purpose and vision are our people, with their expertise, dedication and innovation.

Supporting our People

The success of our business relies on our people and giving them opportunities to learn and grow. We are strong advocates of our team's learning and professional development, providing annual training for staff as applicable to their role and offering additional training on communications, leadership, change management and well-being. We have also focused on creating a more diverse and inclusive workplace and recently developed Diversity in the Workplace Guidelines. In 2020, women comprised 19% of both our workforce and Management Team, and 29% of our Board of Directors.

In the past couple of years, the COVID-19 pandemic shed a light on the need for mental health supports. As a result, we prepared

weekly wellness moments for all employees, supported our Leadership Team with monthly workplace strategies and initiated a wellness campaign across the organization. In 2020, we also conducted our first Mental Health and Benefits survey and plan to conduct additional engagement surveys to better understand our team's needs in the future.

Our Ambitions of Zero Harm

At Tidewater, we all strive towards zero harm and have a strong and consistent safety performance. We've had zero fatalities since inception and zero lost time injuries within the last three years. We are proud of this achievement and will continue to maintain our focus on our target of zero harm to ensure every single employee and contractor goes home safely. As we expand our operations and acquire new businesses, we remain dedicated to maintaining a strong safety culture. In 2020 we also updated our Health, Safety and Environment (HSE) Management System to reflect our new businesses.

Our Response to COVID-19

The health and safety of our staff and the communities where we live and work are of paramount importance to our organization. At the start of the pandemic, Tidewater quickly implemented health and safety measures in line with Provincial Health Authority

(BC & Alberta) directives and industry best practices. We shifted to remote work where possible, but the nature of operating our facilities and operations required the capabilities of several on-site team members. To ensure our on-site teams were kept safe, we implemented daily self-screening requirements, increased our sanitation efforts at our facilities and offices and provided our staff with personal protective equipment. We are extremely thankful for our staff as they allowed us to continue to operate effectively during the pandemic to deliver critical energy to our customers.

Building Relationships with Indigenous Communities

Building and maintaining strong relationships with Indigenous peoples is essential to creating shared value and protecting our communities and the environment. We regularly seek the advice of Indigenous leaders and elders to help shape our approach to Indigenous relations and engagement, complementing our corporate philosophy of keeping our word and being good people. We aim to work together with Indigenous communities to proactively identify any potential impacts of our activities on the community and develop mutually acceptable solutions and benefits, including jobs, training programs and community initiatives.

Reducing our Greenhouse Gas Emissions

We want to continue to be part of sustainable energy solutions and continually aim to lower our carbon intensity. We use the best available emission control technology to meet or exceed federal and provincial regulatory requirements. We are focused on moving away from Alberta's grid power with on-site natural gas-fired power generation. To reduce our greenhouse gas (GHG) emissions further, we aim to use green and renewable fuels and carbon capture and sequestration as these technologies mature and become readily available.

In 2020, due to the growth from our acquisitions and organic projects, including the Pipestone Plant, Pioneer Pipeline, and acquisition of the Prince George Refinery, our absolute Scope 1 emission increased; however, our Total GHG emissions intensity decreased to 0.0130 tCO₂e/barrel of oil equivalent (BOE) – which is in line with 2017 levels despite more than doubling our business in the past four years. Looking forward, we are working to further reduce our GHG emissions through renewable infrastructure and innovative technologies and will be taking action to reduce methane venting to align with regulatory reduction requirements.

Diversifying our Products and Preparing for a Low Carbon Future

Tidewater is in a strong strategic position with significant infrastructure to become a leader in clean fuels across Canada. In respect of that goal, we focus on natural gas storage, natural gas processing, and natural gas pipelines to diversify our customer base and create stable sources of cash flow. As Canada and the world explore the transition

to cleaner, less intensive energy, Tidewater is continually diversifying its products to ensure that our business is resilient now and into the future. We are also always open to creating strategic partnerships with companies that are also focused on less carbon-intensive fuels.

Creation of Tidewater Renewables Ltd.

As we transition to a lower carbon economy, we have diversified our portfolio and expanded our initiatives in the renewables space. On July 21, 2021, we announced the initial public offering (IPO) of Tidewater Renewables Ltd. (traded on the TSX under the symbol "LCFS") to address the growing demand for renewable fuels in North America. We created Tidewater Renewables to be a leading Canadian renewable fuel producer of clean fuels utilizing existing and proven technologies. The company will focus on low carbon fuels, including renewable diesel, renewable hydrogen, and renewable natural gas, and utilize carbon capture where appropriate. Tidewater owns approximately 69% of Tidewater Renewables Ltd. These projects further demonstrate our commitment to reducing our carbon intensity and being a leader in clean fuel standards. We will release a separate Sustainability Report for LCFS in the future.

Thank you very much for being interested in our company and our approach to ESG. Our purpose through this inaugural ESG Report, is to increase the transparency of our performance on ESG topics that our stakeholders care about, and that have a significant impact on our business. We recognize that we are in the early stages of our ESG journey and have more to do, but we are committed to continual improvement and strive to become a leader in the space.



Joel A. MacLeod
CEO and Chair



Greta Raymond
Director and Chair of the Corporate Governance, Compensation, Nomination, Health, Safety and Environment Committee



About Us

Corporate Overview

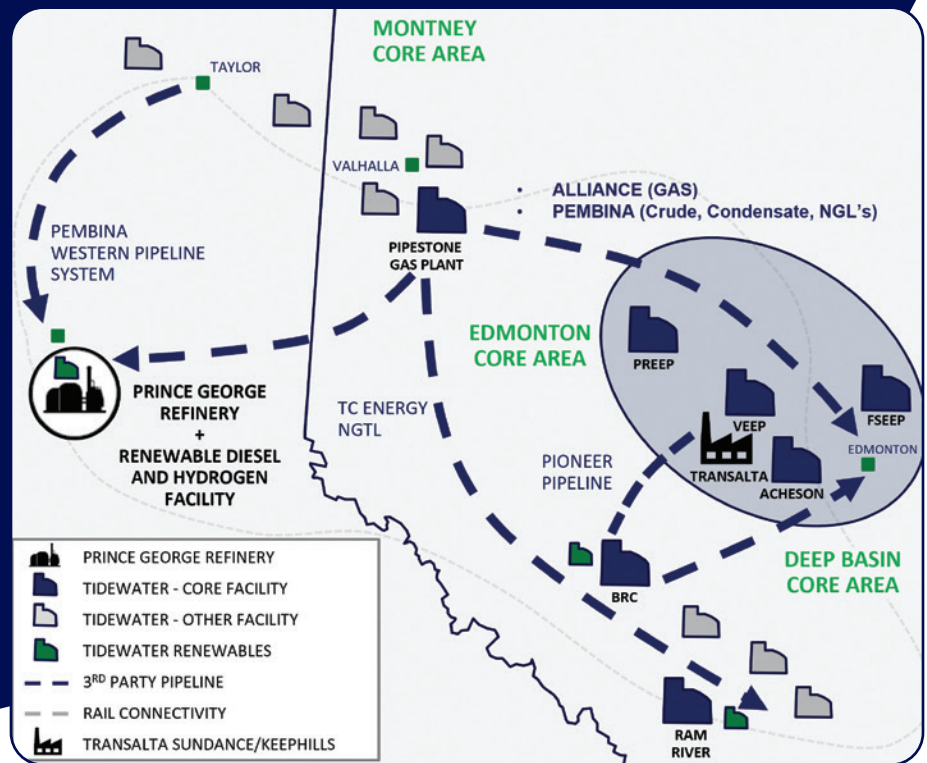
Tidewater Midstream and Infrastructure Ltd. (TSX: TWM) is a Western Canadian midstream company focused on North American natural gas, natural gas liquids and crude oil, refined product, and renewable energy. Our strategy is to profitably grow and create shareholder value through the acquisition and development of oil and gas infrastructure. Tidewater plans to achieve its business objective by providing customers with a full service, vertically integrated value chain, including gas plants, pipelines, railcars, export terminals, storage, downstream facilities, and various renewable initiatives.

Incorporated in February 2015 and headquartered in Calgary, Alberta, Tidewater's business objective is to build a diversified midstream and infrastructure company in the marketing, terminalling and transportation of North American natural gas, natural gas liquids and crude oil. We are focused on selective acquisitions, organic growth projects and operations optimizations at our facilities and have a market cap of over \$440 million. Over the last six years, we have grown significantly in scale ranging from our projects, facilities and people.



Our Operations and Locations

Tidewater is well positioned in some of the most active formations of North America, including the Montney and Duvernay, with facilities and projects in British Columbia and Alberta.



Prince George Refinery

Our light oil refinery has a processing capacity of 12,000 barrels per day (bbl/d) and predominantly produces low sulfur diesel and gasoline, in addition to other products, to supply the greater Prince George region in British Columbia.

It is one of the only Western Canadian refineries that can utilize renewables and currently blends renewable gasoline (ethanol) and renewable diesel (biodiesel). In 2020, Tidewater announced additional projects coming online at the refinery including a canola co-processing plant and a renewable diesel and renewable hydrogen complex at the refinery.

Ram River

The Ram River facility, located west of Rocky Mountain House, Alberta, has a sour gas processing plant and sulfur forming and remelting facility.

Pipestone Gas Plant

Our sour deep cut processing plant, located west of Grand Prairie, Alberta, has a licensed capacity of approximately 110 MMcf/day of sour natural gas. The plant also processes natural gas liquids, producing 20,000 barrels per day. Pipestone was designed to include on-site power generation using low nitrous oxides (NOx) gas turbines and waste-heat recovery to optimize the efficiency of the gas turbines.

Valhalla Central Battery

The Valhalla Central Battery, located north of Grande Prairie, has a blending facility, offers liquids truck loading and 20,000 barrels of liquids storage.

Brazeau River Complex

The Brazeau River Complex (BRC) offers a full suite of services to producers and is located west of Drayton Valley, Alberta. BRC includes a fractionation facility that separates natural gas liquids (NGLs) and has a capacity of 10,000 barrels per day. It also has a blending facility and offers truck loading and offloading facilities.

Pioneer Pipeline

The Pioneer Pipeline, which was co-owned by Tidewater and TransAlta until its sale in 2021 to ATCO and NOVA Gas Transmission, is connected to the BRC and transports sweet natural gas (130 MMcf/day) to TransAlta's Keephills and Sundance facilities.

Acheson Terminal

The Acheson Terminal, located west of Edmonton, is composed of a 120 car-natural gas liquids (NGL) and crude oil rail facility and offers blending and liquids storage.

Our Vision, Mission & Values

Vision

To be a people focused, growth oriented, high return midstream and infrastructure organization, offering customers and shareholders maximum value by leveraging our strengths of creativity, speed-to-market, integrity and execution.

Mission

Tidewater's creative, entrepreneurial and fast-moving team will deliver higher netbacks to its valued customers as a result of unparalleled service and operational excellence. We will be widely respected for our reliability, flexibility and sustainable asset development. Our high achieving people, strong culture, commitment to safe and ethical operations, and focus on environmental, social and governance standards will guide our performance.

Through these means we will deliver to our shareholders industry leading returns on investment.

Values

Safety

We are committed to the highest level of safety for our staff, contractors, customers and communities.

Integrity

All Tidewater staff uphold the highest standards of integrity through our actions.

Respect

We highly respect our people, encourage personal development and reward performance.

Accountability

We exhibit a strong sense of ownership and a will to succeed and are personally accountable to deliver on our commitments to customers, shareholders and staff.

Customer Service

We provide second to none service, build and maintain relationships and provide creative solutions that make a positive impact on our customers' bottom line.

Teamwork

We work hard to create a culture that traverses all boundaries to meet customer needs and help the company and our shareholders be successful.

Community

We are excellent stewards of the environment, and we strongly support the communities in which we live and work.



Investing in Renewables

As the world transitions to a low carbon economy, we are excited to be playing a vital role in the investment of renewable energy within Canada. We are taking initiative in clean fuels through our existing hydrogen and carbon capture assets, our ability to blend ethanol and renewable diesel at our Prince George Refinery, and through the development of our canola co-processing project. We continue to evaluate small and large-scale green capital projects, in conjunction with government funding programs to build upon our renewables business. Please refer to the Product Diversification and Business Resilience section of this report for further details.

A photograph of a long line of oil tanker trains in a snowy industrial setting. The trains are silver and cylindrical, stretching into the distance. The ground is covered in snow, and there are some industrial structures and pipes visible in the background. The sky is a pale blue-grey.

Our Approach to Sustainability

Our ESG Journey

2020



- Conducted a materiality assessment to identify ESG topics that both internal and external stakeholders care about and impact our business
- Formed an ESG Committee with participation from several of Tidewater's Leadership Team and the Chair of the Corporate Governance, Compensation, Nomination, Health, Safety and Environment Committee
- Issued inaugural ESG metrics on Tidewater ESG website

2021



- Hired a Certified Sustainability Practitioner to manage our Corporate Sustainability
- Became a participant and investor in the Natural Gas Innovation Fund (NGIF), an industry-led organization funding cleantech innovation throughout the natural gas value chain
- Initial public offering of Tidewater Renewables Ltd.
- Raised \$20,500 for STARS during our inaugural charity golf tournament

2021+



- Published inaugural ESG Report
- Grow ESG culture within our organization
- Continuous improvement of ESG performance and disclosures

Materiality & Our ESG Priorities

In 2020, we conducted a materiality assessment to help us identify the environmental, social and governance topics that our stakeholders care the most about, and that have an impact on our business and sustainable development. The outcome of this assessment gave us valuable information to inform our priorities, initiatives and resource allocations.



We hired an ESG consultancy firm to support us with our materiality assessment. The process consisted of gathering stakeholder interests through desktop review and stakeholder interviews and interviewing several of Tidewater's executives to understand impacts on the business and environment and society. The consultant then analyzed the information and validated the results with our ESG Committee.

We followed a four-step approach:

- 1 Identified ESG topics
- 2 Gathered stakeholder perspectives
- 3 Assessed impacts
- 4 Validated the results and identified material topics

Analysis Inputs

External

- Desktop review of stakeholder interests and interviews
- Analysis and identification of what peers consider a priority and report in their annual sustainability reports
- Review of voluntary reporting frameworks such as Global Reporting Initiative (GRI), Sustainability Accounting Standards Board (SASB) and Task Force on Climate-Related Financial Disclosures (TCFD)
- Analysis of ESG megatrends

Internal

- Analysis of top risks
- Interviews with Tidewater executives
- Understanding employee views

Through the assessment, nine (9) ESG topics were identified as the most material. We have used the SASB Framework as a guideline for our disclosures. We plan to publish a Sustainability Report biennially, with performance tables updated annually.



Our ESG Priorities



Business Ethics &
Business Conduct



Health, Safety
& Wellness



Emergency Preparedness
& Response



Our People



Indigenous Relations



Economic Contributions &
Community Investments



GHG Emissions



Asset Integrity



Product Diversification &
Business Resilience

Governance & Sustainability Management

Strong corporate governance is critical to supporting our strategy and long-term success. We continually review and enhance our processes to ensure we conduct business with integrity and greater transparency.

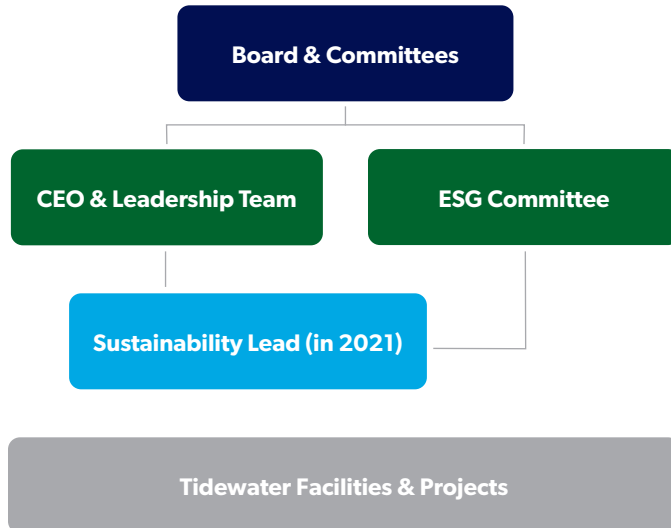
Board of Directors & Committees

Tidewater's Board of Directors (the "Board") has overall responsibility for the stewardship of our company. The Board is responsible for ensuring we conduct our business ethically, guiding our strategy for achieving our objectives, and ensuring we have adequate policies and procedures in place including in relation to our ESG objectives.

The Board's Corporate Governance, Compensation, Nomination, Health, Safety and Environment (CGCNHSE) Committee provides oversight related to ensuring Tidewater follows applicable securities laws and stock exchange rules, reviews compensation policies and guidelines, provides recommendations for new nominee directors to the Board, and monitors and reviews the company's health, safety and environmental performance. The CGCNHSE Committee is made up of a minimum of three independent members appointed by the Board. In addition, the CGCNHSE reviewed this ESG Report and recommended its approval to the Board.

The Board's Audit Committee is responsible for overseeing the annual audit, reporting on internal accounting standards and practices, financial information and accounting systems and procedures, and other mandatory disclosures of financial information. The Audit Committee is also made up of a minimum of three independent members appointed by the Board.

Tidewater links ESG performance to executive compensation. Executives are evaluated on operational safety, asset integrity, and ESG performance, each of which is weighted 15% of their annual cash bonus.



There are seven Directors on the Board. Six are independent, and the seventh member is Tidewater's CEO and Chairman of the Board. Tidewater believes that a truly diverse Board will include and make good use of differences in the skills, expertise and industry experience, gender, ethnicity, age and other distinctions between directors. The Board has significant expertise and experience in governance, environment, health and safety, finance, human resources and risk management. There are two female Directors representing 29% of the Board, one of which chairs the CGCNHSE Committee.



29% of Tidewater's Board of Directors are women



Tidewater ESG Committee

ESG Committee & Management

The CEO and Leadership Team are responsible for the implementation of the company's strategy and ESG initiatives and are accountable for the company's ESG performance. Tidewater established an ESG Committee in February 2020. The ESG Committee is chaired by Tidewater's CEO and is comprised of key members across the organization, including the Chair of the Board's CGCNHSE Committee, Chief Financial Officer, Chief Legal Officer and Executive Vice President, Shared Services, Vice President of HSE and Regulatory, Director of Investor Relations and Refinery Economics, Director of Legal and Assistant Corporate Secretary and Manager, Sustainability. The ESG Committee meets weekly to review Tidewater's ESG performance and opportunities to improve its performance and ESG focused initiatives.

As part of Tidewater's commitment to sustainability, Gabriela Wilson joined Tidewater in late 2021 as the Manager, Sustainability. She is a Professional Engineer and Certified Sustainability Practitioner with a background in corporate governance, environmental responsibility and investor relations. She will be part of the ESG Committee and will be responsible for enhancing Tidewater's sustainability strategy, development and disclosure practices.

Business Ethics & Conduct

Our high standards of conducting business ethically and transparently are rooted in our values. We believe that upholding these high standards is fundamental for building and maintaining trust with our stakeholders.

Our Board's CGCNHSE Committee is responsible for ensuring we comply with Tidewater's Code of Business Conduct and Ethics (the "Code"), which guides our team on issues related to ethics, disclosure, insider trading and conflicts of interest. To facilitate compliance with the Code, we have developed a suite of guidelines and procedures, collectively called the "Conduct Policies," that provide additional guidance and requirements of Tidewater business practices, including Tidewater's Insider Trading and Reporting Policy and Disclosure and Confidentiality Policy. Tidewater's Code of Business Conduct and Ethics and related policies are reviewed annually by the Board of Directors.

New directors, officers, employees and certain contractors are required to review and attest that they understand and will comply with the Conduct Policies before they begin their work at Tidewater.

Employees are encouraged to reach out to their managers to share concerns about potential misconduct or violations of laws and Tidewater policies. Tidewater also provides other mechanisms to share concerns, such as reaching out to the Chief Legal Officer and Executive Vice President of Shared Services and a Whistleblower Hotline that is available to all of our staff and contractors.

Tidewater also reports under the *Extractive Sector Transparency Act (ESTMA)*. Although the majority of our business is midstream and not subject to ESTMA, to increase transparency, we have been reporting payments to governments such as taxes, royalties and fees since 2016.

As business ethics and conduct is one of our ESG priorities, in 2020, to raise awareness and understanding of the Code, Tidewater employees received training on creating respectful workplaces and anti-bullying.

In 2020, Tidewater did not receive any whistleblower complaints.

Risk Management

The long-term value of our company is influenced by how effective we are in identifying and mitigating our risks.

Tidewater’s Board oversees the corporation’s risk management program that is executed by management. We have a management-level Risk Management Committee that ensures the effective day-to-day management of identified risks. For a detailed discussion of specific risk and risk mitigation strategies, please refer to the Company’s Management Discussion and Analysis for the year ended December 31, 2020 found on SEDAR at www.sedar.com.

Cyber Security & Management

Tidewater has implemented enterprise level cyber security measures to provide real-time threat protection to ensure the integrity and reliability of our corporate networks, and our Industrial Control Systems. These systems are updated constantly to provide protection against current and evolving threats.

Tidewater employees are required to complete annual cyber security training that provides awareness of the cyber threats and security risks in a corporate environment, and at home. Staff are also required to agree to Tidewater’s IT security policies that apply to working at a corporate location or accessing information remotely

We use audits and invest resources to annually assess our current cyber security defense capabilities, keeping Tidewater’s security measures current and providing protection against current and future cyber threats.



Our Policies & Systems

Our policies and values guide our activities to ensure we behave responsibly in all that we do.

Tidewater’s corporate policies set expectations to ensure we act with integrity and protect people and the environment. These policies are reviewed at a minimum annually by the Board Committees to re-assess their adequacy.

To support the implementation of corporate policies, Tidewater’s management system includes a hierarchy of standards, codes of practice, safe operating practices, site specific operating procedures, and records, documentation and forms. More information can be found in the specific material issue sections of this report.

Code of Business Conduct & Ethics	The Code applies to all directors, officers, employees and certain contractors of Tidewater and outlines our expectations to ensure that we conduct our activities with integrity and high standards.
Bribery & Corruption Policy	Outlines our requirements to ensure compliance with anti-bribery and corruption laws, and applies to all directors, officers, employees and those acting on our behalf, in accordance with the Code.
Health, Safety & Environment Policy	Supports our goal of zero harm, and outlines our commitments to continually improving health, safety and environmental operating practices and our expectations of senior management, supervisors, employees, contractors and visitors of our facilities.

As we grow organically or through acquisitions, we aim to ingrain our ESG culture and embed our management systems across our operations. This is an important focus of ours but does take time to ensure our people are supported, have a standardized approach for undertaking their work in a safe and environmentally responsible manner, and are tracking and reporting on the right metrics to drive continual improvement.

Our Stakeholders

We aim to build strong relationships through respect and open and honest communications. We aim to understand the expectations that stakeholders have of us to develop shared benefits and continually improve our performance.

Tidewater engages with many stakeholder groups, including customers, investors, communities and Indigenous peoples. We work with our customers to reliably and cost-effectively provide energy products that meet their needs. Our facilities and projects are located near or in communities, so we engage with communities and Indigenous peoples to proactively identify potential impacts and develop mutually acceptable solutions and benefits. We provide some examples of the ways in which we engage and provide value to our stakeholders in the table below.

STAKEHOLDERS	HOW WE ENGAGE	THE VALUE WE CREATE
 Customers	<ul style="list-style-type: none"> • Regular meetings • Sales relationships 	Provide creative solutions that ensure optimum flexibility for our customers
 Investors	<ul style="list-style-type: none"> • Regular meetings • Marketing roadshows • Investor conferences • Annual general meeting • Quarterly earnings conference call 	Grow revenues and improve return on investments
 Communities	<ul style="list-style-type: none"> • Regular meetings • Open houses • Community events and investment initiatives 	Support local employment, community investment and community prosperity
 Indigenous People	<ul style="list-style-type: none"> • Weekly meetings • Direct engagements • Community events 	Offer local employment, procurement and business development opportunities



Safety & Social Wellbeing

Health, Safety & Wellness

Safety is one of our core values that drives our goal of zero harm. Tidewater is committed to operating responsibly to protect our workforce, communities and the environment.

Our Approach

Our goal of zero-harm is guided by our Health, Safety and Environment Policy and supported by a comprehensive management system that includes corporate and site level requirements and guidance. Tidewater’s Health, Safety and Environment (“HSE”) Management System is comprised of HSE Standards, Codes of Practice, Safe Operating Practices, Life Saving Rules and documentation and reporting tools.

Our Vice President of Health, Safety, Environment and Regulatory is responsible for overseeing and managing our Health, Safety and Wellness programs. At each of our sites, Superintendents are accountable for implementing and adhering to Tidewater’s Health, Safety and Wellness programs and initiatives. Although there are designated health and safety functions within our organization, all team members are responsible for acting as a safety leader and intervening when they see unsafe acts.

We use a suite of tools to manage the health and safety of employees and contractors at our operations. Energy Success Platform

10 LIFE SAVING RULES



CONFINED SPACE



WORKING AT HEIGHT



WORK AUTHORIZATION



ENERGY ISOLATION



LINE OF FIRE



BYPASSING SAFETY CONTROLS



DRIVING



HOT WORK



SAFE MECHANICAL LIFTING



FIT FOR DUTY

Managing COVID-19 at Tidewater

To ensure the safety of all our employees and contractors, in our offices and at our operating sites Tidewater followed Alberta Health Services guidance and industry best practices to minimize the spread and impact of COVID-19. We encouraged remote working where possible and invested in equipment to support physical distancing and added the Pandemic Mask Usage Standard to our HSE manual.



(ESP) WorkFront is our incident management database, which houses all incidents, near miss and hazard identification events, along with regulatory and environmental inspections and is a repository for tracking HSE employee training. We use information management systems, such as the Competency Management Database System (CMDS), to track and share information across sites related to training and competencies. We provide extensive health and safety training to employees and contractors, including providing site orientations - a requirement to access our facilities and projects. Some of our operations are located in remote locations. To ensure the safety of our workers we use Aware360 to support us in checking in and responsibly managing employees that are working alone. To monitor the safe operation of our fleet of motor vehicles, we use GeoTab software to track speed limit infractions, hard acceleration and or harsh braking. Our high standards for safety also apply to our contractors. We have a contractor management tool to vet contractor compliance prior to their arrival on site.

Tidewater works to foster a culture of safety across our organization. We generate safety-themed newsletters and meeting packages, distributed monthly to employees so that safety remains top of mind. We also encourage the use of Positive Observations forms, which

enable employees to recognize their colleagues for exceptional safe acts or working conditions.

To encourage continual improvement, Tidewater regularly reviews its safety performance and conducts safety audits. Findings and lessons learned are shared across the organization through our internal website.

Our Performance

Since our inception, our safety performance has been strong. We have experienced zero fatalities since inception and zero lost time injuries within the last three years. Our total recordable injury frequency rate (TRIF) has been trending down since 2017, with a slight increase in 2020. After each reportable incident we conduct a thorough investigation. To further prevent and minimize the recurrence of incidents, we regularly review our near-miss reporting and in 2020 we implemented a practice of sharing lessons learned across the organization to raise awareness of potential hazards, promote learning, and drive accountability.

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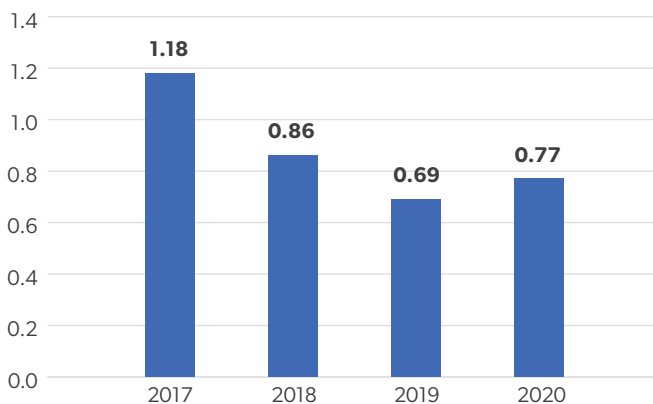
We want our people to **go home safely to their families** and loved ones. We give our teams the ownership in creating a **safe working environment** and supporting our HSE program.”

– **Scott McLean, Vice President of Health, Safety, Environment & Regulatory**



Zero lost time injuries within the last three years

Total Recordable Injury Frequency Rate (TRIF)
(Recordable Injuries x 200,000/Total Working Hours)



In 2020, as we expanded our operations and acquired new businesses, we worked to create a unifying corporate safety culture and made an extensive update to our HSE Management System to reflect our new businesses. We put a greater focus on training in 2020, implementing a CMDS for front line worker competency and training. The validations and training component of the CMDS was delayed due to COVID-19 social distancing measures but are expected to continue as restrictions are lifted across our assets. To reduce the number of motor vehicle incidents, Tidewater implemented GeoTab tracking software to our fleet in four of the seven areas where animal strikes were highest, reducing the number of motor vehicle incidents.

During the COVID-19 pandemic, Tidewater implemented measures to protect the health and safety of our staff, and the communities where we live and work. We followed Provincial Health Authority directives and industry best practices and were able to continue operating

throughout the pandemic. We shifted where possible to remote work to reduce the spread of COVID-19. To protect our frontline workers, we enhanced sanitation efforts at each of our facilities and offices, provided our staff with personal protective equipment, implemented daily self-screening requirements and introduced physical distancing protocols. We included a Pandemic Mask Usage Standard in our HSE manual and posted communications throughout our facilities to keep employees updated with the most current COVID-19 protocols.

Looking Forward

Tidewater will continue to focus on creating a safe working environment for its employees and contractors and empowering our team to support us in improving our health and safety procedures and practices. We continue to make resources, tools and educational information available and accessible to all our workers.

Tidewater also plans to transition our documentation of health, safety and wellness indicators to a data analytics software to help us better visualize trends and enable robust evaluation of how our processes are working. To ensure workers understand the actions required for maintaining a safe working environment, we will be completing CMDS assessments to carry out competency validations on frontline staff.

In the medium term, we will build out our Industrial Hygiene surveys to identify and reduce possible risks to worker health and we will conduct these on a three-year cycle at each of our sites.

Emergency Preparedness & Response

We are committed to ensuring the safety of the public, our workers, and the environment. While we carefully design and maintain our operations, we have measures in place to respond to emergencies that may arise at, or around our operations.

Our Approach

We developed, implemented, and continually maintain an Emergency Management Program (EMP) to effectively anticipate, prevent, manage, and mitigate conditions during an emergency that could adversely affect property, the environment or the safety of workers or the public. Tidewater's Vice President of Health, Safety, Environment and Regulatory is responsible for overseeing our emergency preparedness and response activities. As a part of maintaining a robust EMP, we arrange practice exercises several times a year using an Incident Command Structure (ICS) and document key learnings for continual improvement. Tidewater's EMP is integrated with our Operating Management System and other programs and processes, designed to prevent and mitigate incidents and releases. A key component of our EMP is Tidewater's Emergency Response Plans (ERP), which are developed, maintained, and tested in accordance with federal and provincial regulations. Emergency response training exercises are conducted annually to test the effectiveness of the ERPs.

Tidewater maintains positive relationships with local first responders, including local fire departments, emergency medical technicians (EMTs) and other members of the communities in which we operate, and often conduct training exercises in parallel or in conjunction with these local responders.

Our Performance

Throughout 2020, Tidewater conducted three head office ERP training sessions virtually that were well attended with active participation from team members. We also held 8 operational ERP training exercises in 2020 to exceed the expectations set by regulatory agencies. Each of our facilities have dedicated personnel that make up our rescue, spill response, and incident teams. These teams take pride in Tidewater's ERP training programs and work to increase their practices and hone their skills to provide efficient and reliable responses to any incidents that may take place at our operations.

Looking Forward

With the model for continual improvement in mind, Tidewater intends to increase the participation of ICS training to more individuals within the company. We aim to have more team members ready and able to respond effectively in the case of an emergency at any of our operations. As technology advances, including ERP software, Tidewater will evaluate several systems to assist in crisis communications and explore full digital mapping software that can aid in timely responses.



Our People

Our people are the key to driving our mission. We strive to be a people-focused, engaging and respectful organization that offers team members opportunities to learn, grow and advance within Tidewater.



Our Approach

Tidewater supports the health, wellness, and development of our workforce. We understand that the success of our business relies on attracting and retaining talented employees. Our management team works to instill Tidewater's values and ethics in our workforce, under the leadership and support of our People Services Group. We use a variety of tools, including a human resources information system (HRIS) to organize, store and efficiently utilize employee data. These tools help our leadership make decisions regarding staff promotions and skills and training development for our workforce.

We believe that diversity creates a stronger team, and we continue to strive for greater diversity in our workplace. We have developed Diversity in the Workplace Guidelines to reduce barriers and promote equity and diversity in our workplace. These guidelines support cultural accommodations and cultural competence training for all employees. Tidewater is committed to hiring practices that are fair and equitable and is an equal opportunity employer.



Mental Health & Wellness

Tidewater is committed to the wellness of its employees and has implemented a variety of supports to our employees to reduce the mental health strains and challenges of the COVID-19 pandemic. We prepare weekly wellness moments for all employees and support our Leadership Team with monthly workplace strategies to enable their support to their direct teams. Tidewater also implemented a month-long wellness campaign and a 90-day check-in for hiring managers and new employees to understand successes and challenges related to remote working during the pandemic. We conducted our first Mental Health and Benefits survey in 2021 and plan to conduct additional engagement surveys to better understand the needs of our team in the future.



In 2021, there were **21 students** that participated in our Summer Student Program.

We understand that the learning and development of our staff is an important part of retaining good people. We provide our team with training and professional opportunities that help them grow as individuals and as team members. We provide annual training for staff, as applicable to their role, and offer additional training on communications, leadership, change management and well-being.

participants. From 2018 to 2020, we were pleased to have 106 students participate in the program, of which 25% were female. In 2020, we employed six summer undergraduate students who worked across our operations in finance, engineering, research and analysis, and health and safety. At the completion of their work term, students present highlights of their experience to the Executive Team, allowing for direct feedback and improvement to the experience for future cohorts.

Our Performance

Through the process of increasing the size of our operations, we have expanded our workforce significantly over the past few years. During a period of immense change, through our commitment to being a people-focused organization, we were able to grow our workforce while reducing turnover rates. In 2017, Tidewater employed 243 people with a 6.6% turnover rate and in 2020, we reached 415 employees and reduced turnover to 3.6%. The proportion of staff represented by unions has also grown with our expanding operations, from 17% in 2017 to 25% in 2020. Our Prince George Refinery and Brazeau River Complex operations host the majority of our unionized employees.

We continue to work toward increased diversity of our team. In 2020, females represented 19% of our workforce and we maintained a well-balanced representation of age groups, with most of our team in the 35-44 age category.

We are dedicated to providing opportunities for a new generation of workers. Tidewater organizes an annual summer student program that is a key component to our growth and involvement with the community and often results in full time employment for some

Looking Forward

As we move forward, we expect that the growth of our organization will be driven largely by Tidewater's renewable projects, such as Renewable Natural Gas and Hydrogen Derived Renewable Diesel (HDRD) projects. We will implement a Pre-employment Behavioral Assessment, ensuring a good candidate fit for each job opening. As the pandemic continues, we will continue to conduct wellness initiatives and contests encouraging all employees to take charge of their health. We will implement a company-wide health and wellness campaign with our benefits provider that will include health risk assessments, personalized health profiles and custom plans to support individual health needs which will be tracked to monitor progress. We are dedicated to creating a welcoming environment for all of our employees. To support this effort, we will roll out a mandatory and comprehensive harassment and bullying training module and updated Respectful Workplace Policy. We are committed to ensuring that Tidewater continues to be a great place to work for all of our employees.

Indigenous Relations

We recognize that we construct and operate facilities in Indigenous communities. We are guided by our values of respect, keeping our word and being good people.

Our Approach

Building and maintaining strong relationships and learning from Indigenous communities is essential to our long-term success and to the protection of the land, air and water. We engage with over 25 Indigenous communities in British Columbia, Alberta, Saskatchewan, and Manitoba. The top leadership at Tidewater, including our CEO, President of Downstream and Vice President of Health, Safety, Environment and Regulatory are responsible for developing and maintaining relationships with Indigenous peoples and are supported by Blaine Favel, our First Nations Advisor, the former Grand Chief of Saskatchewan.

Our approach to Indigenous relations and engagement is shaped by Indigenous leaders and elders and incorporates our corporate philosophy of keeping our word and being good people. We aim to work together with Indigenous communities to proactively identify any potential impacts of our activities on the community and to develop mutually acceptable solutions and benefits, including jobs, training programs and community initiatives. With the support of our First Nations Advisor, we engage Indigenous communities while communicating regularly in person and, in many cases, in their first language.

We work to ensure that Indigenous communities are included in contracting and procurement opportunities. We request dedicated spending and capacity development from suppliers and vendors in our procurement processes and work to facilitate partnerships where appropriate. For example, the 120-kilometre Pioneer Pipeline

completed and previously owned by Tidewater and TransAlta was built in a joint venture with Indigenous companies.

To build cultural awareness and bolster relationships, key Tidewater staff undertake Indigenous relations training and participate in local events.

Our Performance

Tidewater worked closely with Indigenous communities throughout the 2018 and 2019 construction, and 2020 operation of the Pioneer Pipeline Project. We engaged First Nations partners in Alberta and British Columbia to require Site Rehabilitation Program funding for the abandonment, decommissioning, remediation and reclamation of facilities and well sites. All funding received from the Program is directly awarded to First Nations companies for the completion of these projects. To support positive working relationships with our Indigenous partners, all of Tidewater's core leadership team and Pioneer project supervisors completed the Indigenous Social Awareness in Canada course.

Tidewater also supports the BEAHR Indigenous Training Program, which helps First Nations, Metis and Inuit communities to develop local environmental champions and overcome barriers in





Tidewater has developed commercial relationships with Indigenous Peoples with a vision of sustainable development, and respect for Indigenous governance and knowledge. It is aligned with the Indigenous values of kinship which are based upon keeping your word and being good people.

– Blaine Favel, our First Nations Advisor,
the former Grand Chief of Saskatchewan



Over **\$50 million** of the Pioneer Pipeline budget was awarded to First Nations Affiliated partners.

environmentally focused fields. Each course delivers experiential group-based vocational training that provide requisite technical, cultural, safety and soft-skills required to secure meaningful employment in the sector.

Looking Forward

We are committed to continuing meaningful engagement with Indigenous communities and we plan to become more involved with communities on a more regular basis outside of consultations.

On April 6th, 2021, in collaboration with EcoCanada and H3M Environmental, Tidewater hosted environmental students from Tsuut'ina First Nations at the Ram River Gas Plant for an educational tour of the facility. A guided site tour was provided by Operations and HSE&R representatives with a focus on facility operations and EPEA environmental programs. This tour was conducted with COVID protocols in place. Tsuut'ina students are enrolled in the Building Environmental Aboriginal Human Resources (BEAHR) program administered through EcoCanada. Tidewater continues to support outreach education programs to demonstrate the company's commitment to responsible operations.



Our majority owned subsidiary, Tidewater Renewables, is working with Indigenous communities towards partnerships in renewable energy projects to meet their increased demand for renewable fuels.

Tidewater will provide these renewable fuels at a discounted cost to support the improved quality of life of neighbouring Indigenous communities. A portion of the profits earned from these ventures will be reinvested in Indigenous communities to support infrastructure, health, education, and cultural initiatives.

Economic Contributions & Community Investments

We want to ensure that society benefits from our operations through job creation, support to local suppliers, community investment, and more.

Our Approach

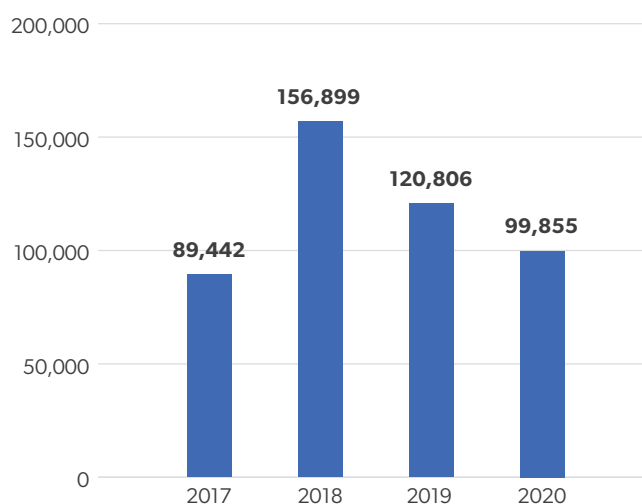
Tidewater works to provide sustainable economic opportunities and benefits to its customers, investors, and the communities where we operate. We contribute to the local and national economies through taxes, job creation, the procurement of goods and services and community investment. Tidewater's Leadership Team plays an important role in driving the economic performance of the company and our Chief Financial Officer and Vice President of Corporate Finance are responsible for financial planning and management, including reviewing and making decisions around our economic contributions. Our mission is to integrate our ESG priorities within Tidewater's operations, reducing financial risks and generating value for our stakeholders and stimulating economic growth. Our financials are overseen by Tidewater's Board of Directors and are reviewed quarterly by external auditors. Tidewater's payments to governments and Indigenous communities are disclosed through our *Extractive Sector Transparency Measures Act (ESTMA)* annual report.

Our Performance

Tidewater has shown tremendous growth over the past few years. This growth comes primarily through our extensive capital investments and acquisitions including the Pioneer Pipeline, Pipestone Gas Plant, Pipestone Gas Storage, and the Prince George Refinery. We have increased our revenues from \$221 million in 2017 to \$979 million in 2020, an increase of over 400% in three years. Our strong revenue has allowed us to provide greater contributions to society through higher property taxes, employee payroll and

increased spending on goods and services. During the COVID-19 pandemic, we reduced our capital expenditures by divesting our Pioneer Pipeline and other assets to secure our balance sheet in a time of uncertainty. In addition, there was a minor decrease in our total community investments, however we continued to contribute 0.1% of our EBITDA as in previous years.

Contributions to Community Initiatives (\$)



In the past four years, Tidewater has contributed an average of **0.13% of its EBITDA** to community initiatives.

Looking Forward

Tidewater is continuing to grow and has over \$50 million per year in capital growth projects planned in the upcoming years, which will create economic opportunities for local suppliers. Our largest project, the HDRD complex, located at the Prince George refinery, will create additional full-time jobs and inject approximately \$225 million into the economy. To bolster the local economies of the areas where we operate, we will continue to employ local construction contractors around the various facilities, whose communities will benefit from Tidewater's investment. Our planned sustainable projects will generate significant positive economic, social and environmental impacts to the communities where we operate.



In 2021, we raised \$20,500 for STARS during our inaugural charity golf tournament

Simply put, STARS fights for life. Since embarking on the first mission in 1985, STARS has been driven by the goal of providing people with the vital care they need, when they need it the most. Whether it's offering hands-on training to rural medical providers or providing rapid, emergency medical transportation for the critically ill and injured, STARS incorporates innovative technology in all it does. The organization operates 24/7 from bases in Calgary, Edmonton, Grande Prairie, Regina, Saskatoon and Winnipeg, anticipating and acting when people need their help.



Supporting our Communities

We want to be good neighbours and give back to communities where we live and operate. We donate to initiatives in the areas of environment, safety and education. We also promote and participate in numerous initiatives. The following organizations are just a few of the areas where we've invested our time and resources in the past few years.



Fraser Basin Council

Tiny Footprints

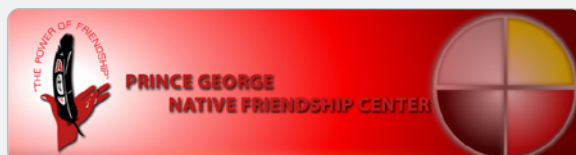
Make-A-Wish
CANADA



DRAYTON VALLEY
Community Food Bank



United Way
Calgary and Area



A scenic landscape photograph of a river flowing through a forest with autumn foliage under a cloudy sky. The river is in the foreground, surrounded by a rocky and pebbly bank. The background features a dense forest of trees with vibrant yellow and orange autumn leaves, interspersed with evergreens. The sky is filled with large, white, fluffy clouds, and the sun is visible, creating a bright and airy atmosphere.

Environmental Stewardship

Greenhouse Gases & Other Air Emissions

We strive to minimize our impact on the environment and work to continually reduce our emissions through efficient and innovative technologies.

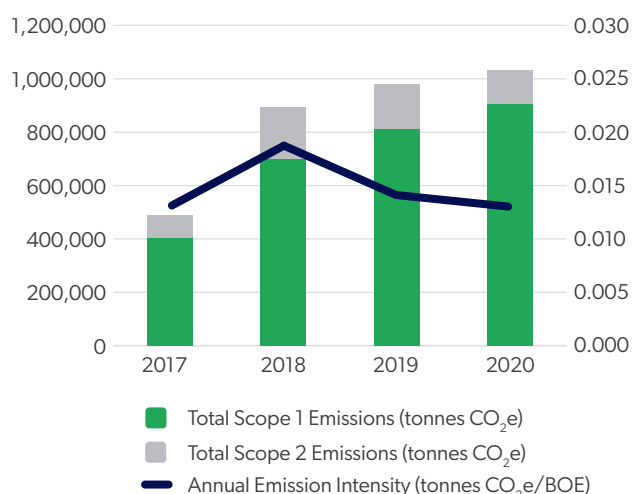
Our Approach

At Tidewater, we continue to work to be a part of the push to sustainable energy solutions and are dedicated to minimizing our contribution to Canada's GHG emissions. Our aim is to lower carbon exposure for Tidewater, our investors and our customers. Overseen by the Vice President of Health, Safety, Environment and Regulatory, we have internal committees focused on helping us achieve our low carbon ambitions. These committees focus on research, technology, carbon capture and sequestration, and alternative green or renewable fuel technology and development. We aim to demonstrate leadership in the global energy transition and understand the need for the oil and gas industry to do their part in lowering GHG emissions. We remain attractive to investors and customers by identifying innovative operations and business mitigations that allow us to provide cost and energy effective solutions. For example, we use the best available emission control technology to meet or exceed federal and provincial regulatory requirements for greenfield developments and brownfield expansions. We are also focused on moving away from Alberta's grid power with on-site natural gas-fired power generation. Tidewater is working toward significantly reducing emissions at our operations through the use of green and renewable fuels and carbon capture and sequestration as these technologies mature and become readily available.

Our Performance

Tidewater has achieved material growth through a combination of acquisitions and organic projects including the Pipestone Plant, Pioneer Pipeline, and acquisition of the Prince George Refinery. As a result, our absolute emissions levels naturally trended higher due to the significantly larger scale and change in Tidewater's overall business mix in 2020. Fortunately, even with our significant growth in the past four years, our emissions intensity remains consistent with 2017 levels – a true testament to our commitment to generate energy efficiently.

Total Emissions & Intensity





Prince George Refinery

At our facilities, we put an emphasis on better utilization and throughput to lower our emissions intensity even through our period of growth. Our new projects also used innovative emissions reduction technologies. For example, our Pipestone Plant was designed to incorporate best in class technology to reduce our emissions. Also, the continued construction of our Prince George Refinery is incorporating the use of renewables, such as canola oil, renewable diesel and ethanol, to provide cleaner products to our customers.

Looking Forward

As Tidewater continues to progress in its ESG journey, we will implement additional measures to reduce our impact on the environment. At our facilities, we are working on a longer-term path toward cost-effectively reducing our GHG exposure through renewable infrastructure and innovative technologies, as well as the effective use of data analytics to ensure our progress. Through 2021 and 2022, Tidewater will be taking action to reduce methane venting and align with Directive 60 reduction requirements. We are excited to continue leading the path toward a more sustainable energy sector.



Project Forest

Project Forest, Rewilding Local Landscapes

In 2020, as a part of Tidewater's commitment to being a good neighbour, Tidewater became a founding member and first official partner of Project Forest, a non-profit organization committed to planting trees to sequester carbon in Alberta's local landscapes. Tidewater has committed to plant 20,000 trees throughout our five-year partnership with Project Forest. The first initiative, titled Golden Ranches, will be located on the south shore of South Cooking Lake east of Edmonton and is set to begin in 2021.

Alberta's Technology Innovation and Emissions Reduction (TIER) fund

In November 2021, Tidewater was awarded funding from the Alberta government as part of their Industrial Energy Efficiency and Carbon Capture Utilization and Storage (IEE CCUS) program, which helps industries save money and cut emissions through technology and equipment upgrades. The funding will go towards an integrated project that Tidewater is evaluating that may include a combination blue hydrogen, carbon capture and cogeneration to significantly reduce emissions at its Brazeau facility.



Land Use & Biodiversity

Our Approach

Tidewater recognizes and values the importance of responsible environmental stewardship and has made significant investments in infrastructure to improve efficiencies and enhance environmental performance. Tidewater's environmental programs focus on preventing environmental impacts and adopting appropriate remediation strategies when required.

Tidewater is committed to conducting its business in a way that balances diverse stakeholder expectations, respects the environment and emphasizes the health and safety of its employees and communities. We've formed several partnerships over the years to ensure that we are working with all stakeholders and regulatory bodies to monitor and manage our work in a sustainable way to mitigate any adverse effects on the environment.



Our Performance

Groundwater Monitoring



Tidewater has implemented groundwater monitoring programs at active and inactive sites across British Columbia and Alberta to ensure water resources are protected. Third party environmental consulting firms plan, manage and execute field programs in conjunction with Tidewater Environmental Coordinators.

Field monitoring programs

are conducted on a semiannual or annual basis and groundwater monitoring reports are provided to the appropriate regulator.

Foothills Stream Crossing Partnership (FSCP)



Tidewater joined the FSCP in 2018 with the main objective of managing and improving the condition and performance of stream crossings across our assets. We work with the FSCP to inspect, monitor, report and repair crossings across our lands. We participate in the design of mitigation plans to restore access to critical fish habitat and address potential

sedimentation issues from road use and construction projects. The partnership provides an inspection protocol, data management and storage, GIS support, and habitat mitigation and restoration for long term management of crossings.



To celebrate Earth Day 2021, we encouraged kids related to Tidewater employees to colour an Earth page created by our friends at Project Forest, or draw a picture depicting what earth day meant to them

Biosecurity Management Policy

In 2018, Tidewater recognized the need to develop a Biosecurity Management Policy to protect against the contamination of sites from clubroot and weeds that can adversely affect the livelihood of stakeholders involved in our projects. Tidewater undergoes a thorough process of risk identification, mitigation and cleaning of equipment to prevent the introduction and spread of plant contagions. Pre-construction clubroot and weed surveys are conducted to identify potential affected areas to ensure proper mitigative measures can be implemented prior to and during construction. Where required, equipment and vehicles utilized for project activities may be cleaned prior to entry, on location and prior to leaving designated areas. All Tidewater employees, contractors and consultants must follow the Policy as a minimum requirement.

Looking Forward

Tidewater is committed to being a good steward of the environment and strives to minimize our impact across all our operations. As we grow and continue to develop our resources in a responsible manner, we believe in creating a culture that focuses on the care, protection and promotion of our environment. Tidewater will continue to work in partnership with our stakeholders to ensure that we are working together to provide reliable energy to the world.



Earth Day

As part of our commitment to caring and protecting the environment, Tidewater held several Earth Day events to engage our staff and families in environmental activities to promote learning and awareness.

We held a coloring contest and gardening workshops for families that was in line with Earth Day 2021 values. This was an employee-led initiative that we will continue to lead through the years to come.

Asset Integrity

We are committed to operating and maintaining our facilities and infrastructure to the highest degree to protect the environment and communities near our operations.

Our Approach

The safe operation of our assets is foundational to our success. Tidewater takes a lifecycle view to managing our assets. We have a robust Asset Integrity Program that includes requirements around the inspection, testing, monitoring and maintenance of our facilities and infrastructure. Tidewater's Senior Management team is accountable for the integrity of our assets and we have a specialized team that is responsible for the Asset Integrity Program. Our Senior Director of Asset Management is responsible for the implementation, review and administration of Tidewater's Integrity Management System. Our Chief Inspector is responsible for the coordination of the integrity assessment activities, inspection of our assets, training and supervision of the inspection team members, and is supported by our Pipeline Integrity Specialist. Operations Supervisors are responsible for the safe operation of all plant equipment including boilers and pipelines. We manage our assets through an application of both time and risk-based inspection windows, depending on the asset type, as well as the testing, monitoring, and mitigation plans that meet all jurisdictional regulatory requirements.

Tidewater's Pressure Equipment Integrity Management Systems Manual (PEIMS) and Pipeline Integrity Management Systems Manual (PLIMS) were developed to include industry best practices, codes, standards, and jurisdictional requirements that keep our operations running safely and efficiently. We conduct an annual pipeline risk assessment and implement monitoring and mitigation programs where required. In the event we experience an integrity issue, it is evaluated by our Asset Integrity team. If required, fit for service evaluations and failure investigations are performed by qualified personnel. Any

integrity issues that are not resolved in the near term are monitored until resolution. We communicate the issue with our appropriate stakeholders and recommend actions and time intervals for resolution. To ensure we have the right contractors supporting us with the integrity of our assets, we use a compliance management software to review and audit approved vendors that are completing work scopes identified within Tidewater's Integrity Management System.

Our lifecycle approach to asset integrity means that our Asset Integrity team is included in the review of work that we bid on to ensure that the safe design is included from the very beginning. To support continual improvement, we have regular communications about asset integrity. We designate February as Asset Integrity month to expand awareness and learning across the organization.

Our Performance

In 2020, Tidewater received approval for the Technical Services British Columbia (TSBC) Alternative Safety Agreement (ASA) for our Prince George Refinery. We applied an Equivalent Standard Approach (ESA) to asset safety and integrity to provide a platform for consistency in our inspections across Alberta and British Columbia. We also passed the 2020 Alberta Boiler Safety Audit (ABSA) Quality System Management audit with high scores and Tidewater was a top performer in its class. The audit covered 16 comprehensive elements and we scored 100% on leadership, management, control, monitoring and response. A few minor actions were raised through the audit that will be addressed in 2021 around administrative documentation, training and management of change improvement.



Western Canadian Spill Services (WCSS)

As part of our spill mitigation program, Tidewater is a member of Western Canadian Spill Services (WCSS). They provide spill preparedness and response services that meet regulatory requirements across Alberta, British Columbia and Saskatchewan. As part of our membership, Tidewater strives to comply with all regulatory requirements related to spill preparedness, including training requirements. On a yearly basis, our team participates in training exercises to familiarize themselves with spill control points along surface water sources downstream from potential uncontrolled release sites, conduct spill risk assessments for our operations, and implement adequate risk control measures where required.



Throughout 2019 and 2020, we completed three successful facility turnarounds at our Gilby, Sylvan Lake, and Acheson facilities. We had one process safety incident in 2020 related to a rental compressor, which was used as an opportunity to improve the implementation of process safety protocols. To support increased safety awareness and safety performance at our facilities, we focused on improving process safety education.

In 2020, we operated 2,180 km of pipeline and had an incident ratio of 0.92 per 1,000 km of pipeline. For the past four years, all pipeline incidents have been deemed low consequence by the regulator. To ensure continual improvement after each incident, we conduct a thorough investigation and share lessons learned with our team.

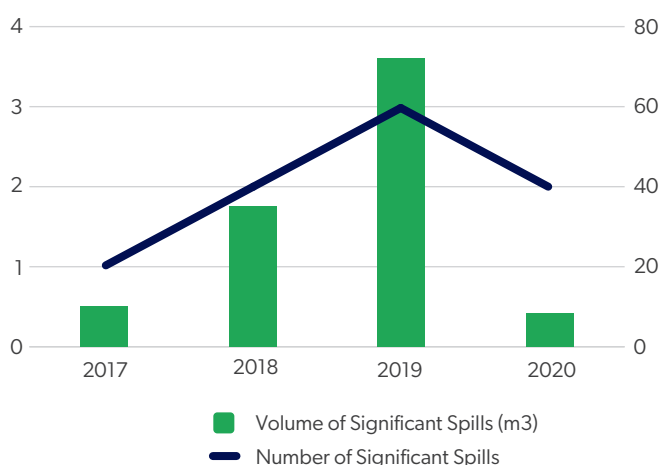
We strive to be a trusted, safe and reliable operator and will continue to put an emphasis on the monitoring of production of our operations and are working to increase our training and awareness campaigns that were put on hold due to COVID-19 social distancing protocols.

Looking Forward

Tidewater is dedicated to maintaining our reputation as a top-tier safe operator. We continue to improve our team's process safety event knowledge, including providing PLIMS and PEIMS Awareness training to all new and existing employees on our systems, programs, and facility and equipment processes to ensure that all staff are provided with up-to-date safety information and guidance. In the short-term, we are working to develop a corporate geotechnical review of all pipelines in Tidewater's inventory and generate a monitoring plan for high-risk areas and update the corporate Leak Detection System Manual (LDS) to include all areas as site specific addenda. Additionally, we are working to ensure the full functionality of our digital data resources across our operations as we incorporate our asset integrity key performance indicators into our corporate data reporting and analytics platform.

Future activities also include optimizing each asset's inspection strategies and timeframes based on risk, equipment availability, and equipment history and to reduce the time to complete Level 3 inspection deficiency resolution by 50% for issues that can be addressed without an outage. We plan to mitigate our risks so that we can evaluate each asset's risk threshold to as low as practicable to ensure that we are doing all we can to keep our operations running safely.

Spills & Releases



Product Diversification & Business Resilience

We aim to be a Canadian leader in energy infrastructure solutions providing reliable and cost competitive options today and into the future.

Our Approach

Tidewater is committed to pursuing innovative projects to grow our business and provide long-term value to our stakeholders. We are diversifying our products as Canada and the world explore the transition to cleaner, less carbon intensive energy. Tidewater's Leadership Team leads our company's strategic areas of growth. They identify long-term goals that will shape the company's future over the next 10 years.

Tidewater's Leadership Team aims to create strategic partnerships with like-minded organizations. We have partnered with organizations to build infrastructure projects including the Pioneer Pipeline, which provided Tidewater with a stable source of cash flow and was a key component to transitioning Alberta's power grid away from coal and towards lower carbon natural gas.

We also apply data analytics to support effective performance and reporting. Using data analytics has allowed us to better understand operational, financial and climate-related opportunities, such as improving our operational efficiencies to reduce emissions and compliance costs. Tidewater also undertakes detailed modelling, including projecting and analyzing natural gas supply and refinery demand to make data-informed decisions.

Our Performance

Tidewater has made investments in natural gas storage, natural gas processing, and natural gas pipelines to diversify our customer base and create stable sources of cash flow. The diversification of our products caused some challenges, including increased regulatory requirements, which required additional training for our team, and additional taxes for carbon and fuel. However, Tidewater's smaller size allows us to be agile and able to respond effectively to changes.



Investing in Cleantech Enterprises

In 2021, we supported the launch of NGIF Cleantech Ventures. This new equity fund will invest in cleantech enterprises with solutions that lead to emissions reductions in existing natural gas production, transmission, distribution, storage or end-use applications; or through the production of renewable gases such as renewable natural gas or hydrogen. The investments made through the fund will improve environmental performance while building the value of affordable, reliable natural gas to meet the ongoing needs of Canada's energy system, and to meet the growing global opportunity for Canadian natural gas. www.ngif.ca



Looking Forward

Tidewater is committed to continuing its focus on renewable energy production using current assets to develop a renewable energy plan, including the construction of an HDRD facility at the Prince George Refinery through its subsidiary Tidewater Renewables. We are also currently evaluating a renewable hydrogen plant within the HDRD project. We will evaluate the use of government funding programs to support renewable fuel production capacity and infrastructure as we work to contribute to global emissions reduction.

Prince George Refinery Canola Co-processing

In 2020, Tidewater announced a canola co-processing project at our Prince George Refinery, which produces renewable diesel with an expected 80-90% carbon intensity reduction compared to conventional diesel. The project was commissioned in Q3 of 2021.

Performance Tables

ENVIRONMENTAL

Indicator	Measure	2017	2018	2019	2020
Greenhouse Gases and Other Air Emissions					
Total Scope 1 Emissions (tonnes CO ₂ e)	Tonnes CO ₂ e	402,043	697,588	812,984	906,204
Total Scope 2 Emissions (tonnes CO ₂ e)	Tonnes CO ₂ e	88,420	197,560	166,906	127,413
Annual Emission Intensity (tonnes CO ₂ e/BOE)	Tonnes CO ₂ e/BOE	0.0131	0.0188	0.0141	0.0130
Total Methane Emissions	Tonnes	5,813	3,451	3,703	2,407
% Scope 1 Methane Emissions	%	36.2	12.4	11.7	7.9
Total NOx Emissions	Tonnes	2,616	4,189	3,252	2,248
Total CO Emissions	Tonnes	3,094	2,994	2,783	2,190
Total VOC Emissions	Tonnes	66	562	468	604
Total PM Emissions	Tonnes	13	29	41	51
Total SO ₂ Emissions	Tonnes	732	4,044	5,479	4,612
Energy					
Total Natural Gas Fuel Consumption	e ³ m ³	107,735	209,812	246,407	303,012
Total Electricity Consumption	MWh	116,335	259,930	226,850	247,212
Water					
Surface Water Use	m ³	7,985	7,453	37,158	382,052
Recycled Water	m ³	0	25,932	1,316,555	1,540,089
Groundwater Use	m ³	34,027	243,133	205,703	179,120
Total Freshwater Withdrawal	m ³	41,102	188,432	239,085	559,778
Water Discharge	m ³	15,480	111,267	273,367	368,744
Liquid Waste	m ³	2,698	5,921	92,876	46,477
Solid Waste	m ³	5,381	21,731	15,282	1,177
Spills and Releases					
Number of Significant Spills	Count	1	2	3	2
Volume of Significant Spills	m ³	10	35	72	8.3
Number of operational Emergency Response Plan (ERP) exercises	Count	5	12	17	8
Asset Integrity					
Pipeline incidents	Count	2	4	1	2
Incident ratio	Incidents per 1,000 km of operating and permitted pipeline	0.56	1.06	0.28	0.92
Industry incident ratio ⁽¹⁾	Incidents per 1,000 km of operating and permitted pipeline	0.97	0.96	0.90	0.79

HEALTH AND SAFETY

Indicator	Measure	2017	2018	2019	2020
Lost Time Injuries	Count	1	0	0	0
Medical Aids	Count	1	5	4	5
Total Recordable Injury Frequency Rate (TRIF)	Recordable Injuries/200,000 Hours	1.18	0.86	0.69	0.77

(1) Pipeline performance data as reported by the Alberta Energy Regulator.

TIDEWATER PEOPLE

Indicator	Measure	2017	2018	2019	2020
Total Employees	Count	243	292	439	415
Total Male Employees	Count	197	233	360	337
Total Female Employees	Count	46	59	79	78
Proportion of Female Employees	%	19	20	18	19
% Turnover of Employees	%	6.6	5.5	3.9	3.6
Trade Union Representation	%	17	14	24	25
Age Diversity % of workforce self-identified as					
• 18-24					4%
• 25-34					18%
• 35-44					32%
• 45-54					23%
• 55-64					22%
• Above 64					1%

TIDEWATER CONTRIBUTIONS TO SOCIETY

Indicator	Measure	2017	2018	2019	2020
Capital Expenditures	\$ Million CAD	144.3	315.7	451.3	71.0
Property Tax	\$ Million CAD	5.3	7.9	8.9	11.1
Employee Payroll	\$ Million CAD	22.9	39.2	53.0	77.5
Political and Lobbying Contributions	\$CAD	0	0	0	0
Contributions to Community Initiatives	\$CAD	89,442	156,899	120,806	99,855
Community Investments Per Employee	\$/Employee	368	537	275	241
Other Taxes Paid to Government (e.g. corporate, income, royalties)	\$ CAD	6,404,814	8,785,942	3,687,652	13,406,740
Dollars Spent on Goods and Services	\$ CAD	145,082,000	225,383,000	608,196,000	792,424,000

FINANCIAL STRENGTH

Indicator	Measure	2017	2018	2019	2020
Revenue	\$ Million CAD	221.4	324.3	692.3	979.4
Adjusted EBITDA	\$ Million CAD	61.6	77.4	109.7	179.8
Distributable Cash Flow	\$ Million CAD	45	56.5	56.4	47.2
Net Income	\$ Million CAD	12.9	20.3	(6.7)	3.1
Dividends Declared	\$ Million CAD	13.2	13.2	13.3	13.5

GOVERNANCE

Indicator	Measure	2017	2018	2019	2020
Size of Board of Directors	Count	6	5	5	7
Executive Directors	Count	1	1	1	1
Independent Directors	Count	5	4	4	6
Total Senior Executives Compensation	\$CAD	3,729,644	4,266,634	3,652,176	3,244,844
Board Member Compensation	\$CAD	514,129	484,958	379,144	323,876
Board Gender Diversity	%	17	20	20	29
Average Board Meeting Attendance	%	100.0	97.7	97.1	100.0
Committee Meetings Attendance Average	%	100.0	100.0	100.0	100.0
Whistleblower Complaints	Count	0	1	1	0

SASB Index

Tidewater is reporting against some of the metrics listed within the Sustainability Accounting Standards Board's Oil and Gas – Midstream and Oil and Gas – Refining and Marketing Standards.

OIL AND GAS – MIDSTREAM AND OIL AND GAS			
Topic	SASB Code	Metric	Response and/or Additional Information
Oil and Gas – Midstream and Oil and Gas			
Greenhouse Gas Emissions	EM-MD-110a.1	Gross global Scope 1 emissions, percentage methane, percentage covered under emissions-limiting regulations	Pages 29 & 38
	EM-MD-110a.2	Discussion of long-term and short-term strategy or plan to manage Scope 1 emissions	Pages 29-31
Air Quality	EM-MD-120a.1	Air emissions of the following pollutants: (1) NO _x (excluding N ₂ O), (2) SO _x , (3) volatile organic compounds (VOCs), and (4) particulate matter (PM10)	Page 38
Ecological Impacts	EM-MD-160a.1	Description of environmental management policies and practices for active operations	This is described throughout the ESG Report Tidewater's Health, Safety and Environment Management System is comprised of HSE Standards, Codes of Practice, Safe Operating Practices, Life Saving Rules and documentation and reporting tools
	EM-MD-160a.4	Number and aggregate volume of hydrocarbon spills	Pages 17-20, 29-35 Per regulatory requirements, Tidewater reports significant spills to regulatory bodies
Operational Safety, Emergency Preparedness & Response	EM-MD-540a.1	Number of reportable pipeline incidents, percentage significant	Page 38
	EM-MD-540a.4	Discussion of management systems used to integrate a culture of safety and emergency preparedness throughout the value chain and throughout project lifecycles	Pages 17-23
Oil and Gas – Refining and Marketing			
Greenhouse Gas Emissions	EM-RM-110a.1	Gross global Scope 1 emissions	Pages 29 & 38
	EM-RM-110a.2	Discussion of long-term and short-term strategy or plan to manage Scope 1 emissions	Pages 29-31
Air Quality	EM-RM-120a.1	Air emissions of the following pollutants: (1) NO _x (excluding N ₂ O), (2) SO _x , (3) particulate matter (PM10), and (4) volatile organic compounds (VOCs)	Page 38
Water Management	EM-RM-140a.1	Total fresh water withdrawn	Page 38
Workforce Health & Safety	EM-RM-320a.1	(1) Total recordable incident rate (TRIR), (2) fatality rate	(1) Pages 19 & 38 (2) 0%
	EM-RM-320a.2	Discussion of management systems used to integrate a culture of safety	Pages 17-23



Forward-looking Statements

Certain information regarding Tidewater Midstream and Infrastructure Ltd. set forth in this document, including management's assessment of the company's future plans and operations, contains forward-looking statements that involve substantial known and unknown risks and uncertainties. This information may not be appropriate for other purposes and includes aspirational goals, approximations, and estimates, which will differ from actual results, and is for information purposes only. The use of any of the words "anticipate", "continue", "estimate", "project", "intends", "expect", "may", "will", "project", "should", "forecast", "target", "goal", "believe" and similar expressions are intended to identify forward-looking statements. Such statements represent Tidewater's internal projections, forecasts, estimates, or beliefs concerning, among other things, an outlook on the estimated amounts and timing of capital investment or expenditures, production, cash flow and revenues or other expectations, beliefs, plans, objectives, assumptions, intentions or statements about future events or performance. These statements are only predictions and actual events, or results may differ materially. Although Tidewater believes that the expectations reflected in the forward-looking statements are reasonable, it cannot guarantee future results, levels of activity, performance or achievement since such expectations reflected in the forward-looking statements are inherently subject to significant business, economic, competitive, political, and social uncertainties, and contingencies. Many factors could cause Tidewater's actual results to differ materially from those expressed or implied in any forward-looking statements made by, or on behalf of, Tidewater.

In particular, forward-looking statements included in this document include, but are not limited to, statements with respect to: Tidewater's future operating results; Tidewater's role in sustainable energy solutions; goals and plans of the company; our environmental, social, and governance (ESG) plans outlined in the "Looking Forward" sections of this report, including those related to greenhouse gas emissions reduction, safety and performance and standards, diversity and inclusion, indigenous relations, and ESG reporting; the further integration of sustainability considerations into our business; our corporate vision and strategy; the COVID-19 pandemic and the duration and impact thereof; expected supply of, demand for, and prices of refined products, natural gas, crude oil, and other related petroleum products; the expected roles of different energy sources and our company in the transition to a lower-emissions economy; the health, safety, and environment of our employees and contractors and the attraction and the retention of our employees; and community and stakeholder engagement and investment.

Although we believe these forward-looking statements are reasonable based on the information available on the date such statements are made and processes used to prepare the information. Such statements are not guarantees of future performance and are subject to numerous risks and uncertainties, most of which are beyond the company's control, including the impact of general economic conditions; industry conditions; liabilities inherent in operations in the energy industry; energy transition, including the drivers and pace thereof; the COVID-19 pandemic and the duration and impact thereof; exchange rates; inflation; interest rates; availability and price of labor and construction materials; weather; litigation; changes in legislation, regulations or government policy; environmental risks; hazards such as fire, explosion, blowouts, and spills, any of which could result in substantial damage to our facilities, other property and the environment or in personal injury; and the other risks considered under "Risk Factors" in Tidewater's most recent annual information form available at www.sedar.com.

Management has included the above summary of assumptions and risks related to forward-looking information provided in this document to provide shareholders with an understanding of Tidewater's future operations and such information may not be appropriate for other purposes. Tidewater's actual results, performance or achievement could differ materially from those expressed in, or implied by, these forward-looking statements and accordingly, no assurance can be given that any of the events anticipated by the forward-looking statements will transpire or occur, or if any of them do so, what benefits that the company will derive therefrom. Readers are cautioned that the foregoing lists of factors are not exhaustive.

These forward-looking statements are made as of the date of this document and the company disclaims any intent or obligation to update publicly any forward-looking statements, whether because of new information, future events, or results or otherwise, other than as required by applicable securities laws. All forward looking statements, whether written or oral, attributable to us or persons acting on our behalf, are expressly qualified in their entirety by these cautionary statements.



TIDEWATER

Midstream and Infrastructure Ltd.

900, 222 3rd Avenue SW
Calgary, AB T2P 0B4

Phone: (587) 475-0210
Fax: (587) 475-0211

www.tidewatermidstream.com
info@tidewatermidstream.com