

Extractive Sector Transparency Measures Act - Annual Report



Reporting Entity Name	Veren Inc.					
Reporting Year	From	1/1/2024	To:	12/31/2024	Date submitted	5/6/2025
Reporting Entity ESTMA Identification Number	E199156	<input checked="" type="radio"/> Original Submission <input type="radio"/> Amended Report				
Other Subsidiaries Included (optional field)						
For Consolidated Reports - Subsidiary Reporting Entities Included in Report:	E490061 Veren Partnership, E707333 Veren U.S. Corp., E976960 Veren Holdings Ltd., E400251 Veren LNG Corp., E597558 Veren Rockies Corp., E024996 Inception General Partner Inc.					
Not Substituted						
Attestation by Reporting Entity	<p><i>In accordance with the requirements of the ESTMA, and in particular section 9 thereof, I attest I have reviewed the information contained in the ESTMA report for the entity(ies) listed above. Based on my knowledge, and having exercised reasonable diligence, the information in the ESTMA report is true, accurate and complete in all material respects for the purposes of the Act, for the reporting year listed above.</i></p>					
Full Name of Director or Officer of Reporting Entity	Michael Politeski			Date	5/6/2025	
Position Title	Senior Vice President, Finance & Treasurer					

Introduction

This Report contains payments to government entities made by Veren Inc. and its subsidiaries (the “Company” or “Veren”) for the year ended December 31, 2024, as per the Government of Canada’s requirement to report under the Extractive Sector Transparency Measures Act S.C. 2014, c.39, s.376 (“the Act”).

Basis of preparation

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

Payee

For purposes of the Act, a payee is:

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

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

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

Activities

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

Project

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

Cash and in-kind payments

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



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

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

Joint control

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

Payment Categories

Payment amounts are reported under the following payment categories.

Taxes

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

Royalties

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

Fees

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

Production entitlements

These are payments pertaining to a payee’s share of oil, gas or mineral production under a production sharing agreement or similar contractual or legislated arrangement. There were no reportable production entitlement payments made to a payee during the year ended December 31, 2024.

Bonuses

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

Dividends

These are dividend payments other than dividends paid to a payee as an ordinary shareholder of an entity unless paid in lieu of production entitlements or royalties. There were no reportable dividend payments made to a payee during the year ended December 31, 2024.

Infrastructure improvement payments

These are payments made to a payee which relate to the construction of infrastructure (i.e., road, bridge or rail) not substantially dedicated for the operational activities of Veren. The assignment or transfer of infrastructure no longer substantially dedicated for the operational activities of Veren would also be included in these payments. There were no reportable infrastructure improvement payments made to a payee during the year ended December 31, 2024.