



2022 ESG Report

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ABOUT THIS REPORT

This environmental, social, and governance ("ESG") report provides an overview of Touchstone Exploration Inc.'s ("Touchstone", "we", "us", "our", or the "Company") 2022 ESG performance, highlighting key metrics, initiatives and accomplishments that were achieved from January 1, 2022 to December 31, 2022.

SCOPE

The scope of this report includes information from all businesses and assets that are owned and operated by Touchstone as of December 31, 2022. Unless otherwise indicated, all dollar amounts are expressed in United States dollars and all references to "dollars", "\$", or "US\$" are to United States dollars. We may also reference Canadian dollars ("C\$") and Trinidad and Tobago dollars ("TT\$") herein.

ASSURANCE

This ESG report has not been externally verified.

HOW WE CALCULATED OUR DATA

Our water withdrawal and carbon inventory includes all of our businesses, sites and operations. Our GHG emissions inventory includes two GHGs, CO₂ and CH₄, translated into CO₂ equivalent. The other four GHGs are negligible for Touchstone as they were volatile organic compounds and particulate matter which were not recorded.

We followed the World Resources Institute's Greenhouse Gas Protocol Corporate Accounting and Reporting Standard (see www.ghgprotocol.org/corporate-standard for more information). GHG emissions are calculated using Global Warming Potential ("GWP") from the Intergovernmental Panel on Climate Change. The GWP used for all emissions calculations for a particular GHG used a consistent GWP value of IPCC AR4 to calculate our emissions in Scope 1. We did not have any biogenic emissions in 2022. We adopted the operational and financial control approach to consolidate our inventory.

In addition to this document, further information about our commitment to ESG performance, policies and initiatives is available on our [website](#), [SEDAR](#) profile, or via our additional reporting and disclosure documents:

[Information Circular](#)

[Annual Information Form](#)

[Annual 2022 Consolidated Financial Statements](#)

[Annual 2022 Management's Discussion and Analysis](#)

STANDARDS AND FRAMEWORKS

This report was prepared in accordance with the Global Reporting Initiative ("GRI") Standards core option (see www.globalreporting.org for more information). In developing this document, we followed the GRI Reporting Principles for defining report content. GRI principles guided our reporting approach regarding materiality, stakeholder inclusiveness, sustainability context and completeness and this document includes a GRI content index.

This report was guided by the Sustainability Accounting Standards Board ("SASB") Standards (see www.sasb.org for more information) for oil and gas exploration and production companies and this document includes a SASB content index.

We are supportive of the objectives of the Taskforce for Climate-related Financial Disclosures ("TCFD") (see www.fsb-tcfd.org for more information). This document includes a TCFD content index.



INTRODUCING TOUCHSTONE

About Our Company

Our vision is to maximize shareholder value through producing economic and sustainable energy from international onshore assets by striving to ensure that environmental, social and governance standards are embedded in our values and priorities.

CORPORATE PROFILE

Touchstone Exploration Inc. is an oil and natural gas exploration and production company active in the Republic of Trinidad and Tobago ("Trinidad"). We are currently one of the largest onshore independent hydrocarbon producers in Trinidad, with eight producing assets and an extensive inventory of development and exploration opportunities. Our common shares are traded on the TSX and the AIM market of the London Stock Exchange under the stock symbol "TXP".

Our first natural gas production was brought onstream in 2022. As at and during the year end December 31, 2022, Touchstone averaged 1,581 boe/d of combined crude oil and natural gas production (1,340 bbls/d oil and 1,444 Mcf/d natural gas) with gross proved plus probable petroleum and natural gas reserves of 75,074 Mboe.

In 2019, Touchstone began phase one of its exploration program on the Ortoire block. This program had an 80% success rate with four of five exploration wells having commercial grade oil and natural gas discoveries. The four successful wells include Coho-1, Cascadura-1ST1, Cascadura Deep-1, and Royston-1. As of December 31, 2022, these discoveries were evaluated by our independent reserves evaluator and attributed 59,030 Mboe or 79% of the gross proved plus probable petroleum and natural gas reserves noted above.

On October 10, 2022, our first natural gas producing well, Coho-1, came onstream representing the initial stage of diversifying our production mix. Targeting natural gas exploration opportunities within our Ortoire block is a priority for Touchstone and will enable us to continue our transition to a heavily weighted natural gas producer.

All of our crude oil production is sold to the state-owned oil company, Heritage Petroleum Company Limited ("Heritage") and all of our natural gas production is sold to the state-owned natural gas company, The National Gas Company of Trinidad and Tobago Limited ("NGC"). For further information on our assets, please see the [Operations](#) section of our corporate website.

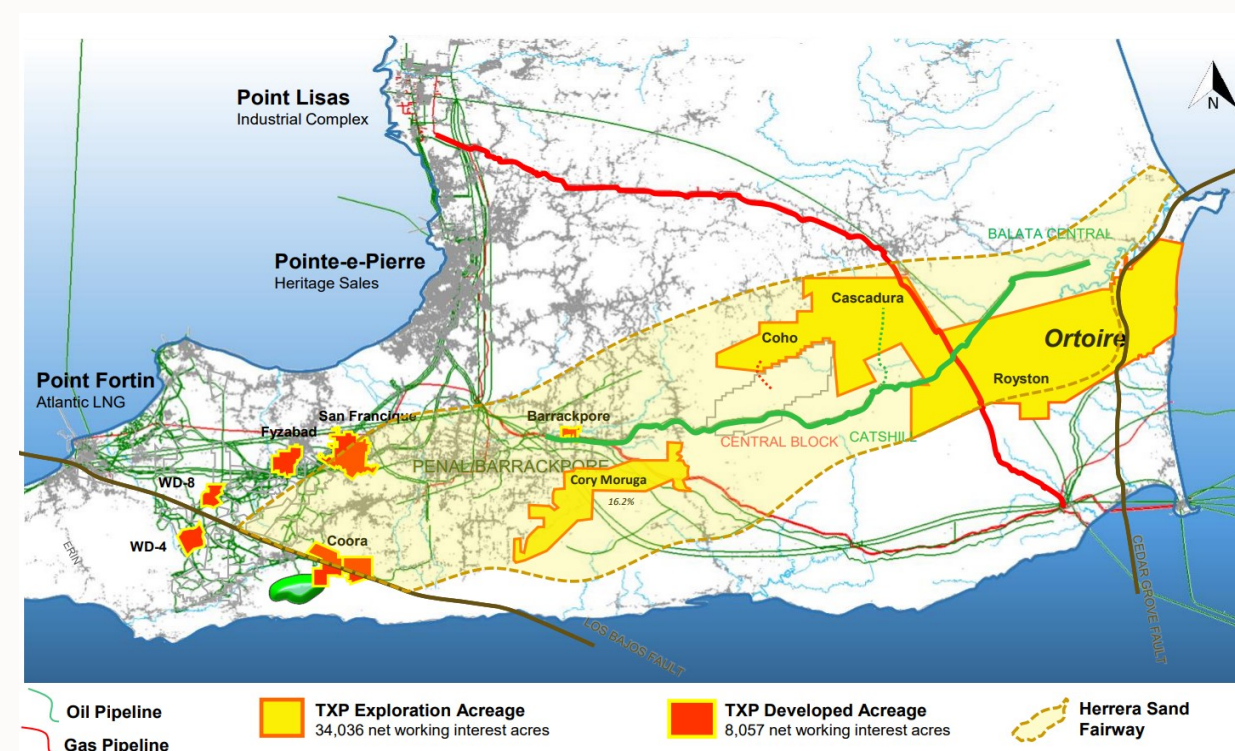
AN INTERNATIONAL ENERGY COMPANY

We are headquartered in Calgary, Canada, with two offices in Trinidad. In 2022, we had 98 full time-equivalent ("FTE") employees, of whom 83% were local nationals in Trinidad. For our latest financial information, please see the [Investors](#) section of our corporate website.

A RESPONSIBLE CORPORATE CITIZEN

We recognize that we can only maximize value through ethical practices and robust ESG standards. Based on our values – safety and environment, honesty and integrity, respect, empowerment, and accountability – we encourage ethical behaviour in our employees and all those we work and interact with. Our code of conduct and ethics is the basis of our approach to ethical behaviour, and as part of an inclusive workplace, we stimulate diversity of thought and the ability to

speak up when misconduct is identified. We pride ourselves on being a reliable and trusted partner of the government of the Republic of Trinidad and Tobago. This relies on transparency regarding our practices, including the disclosure of income tax and royalty payments, where we have historically paid approximately \$123.4MM in royalties and \$54.1MM in income taxes since 2010.



OUR KEY VALUES

Honesty and integrity

- ⇒ We conduct ourselves with honesty and integrity by being transparent, ethical, respectful, and timely.
- ⇒ We are committed to all our stakeholders, and work to enhance the local communities involved in our daily operations.

Safety and environment

- ⇒ We operate in a manner that ensures the safety of all our stakeholders including employees, contractors, and the public.
- ⇒ When a conflict arises between safety and production, we empower our employees to choose safety.
- ⇒ We strive to operate in an environmentally responsible manner to reduce our environmental footprint and aim for continuous improvement.

Respect, empowerment and accountability

- ⇒ We act as shareholders and are accountable for our actions.
- ⇒ We provide an inclusive work environment that is enjoyable and respectful to all.
- ⇒ We provide learning opportunities and challenges to employees to foster growth.
- ⇒ We conduct our business that encourages new thoughts and ideas.

ON OUR WAY TO DELIVER SUSTAINABLE VALUE

A Message To Our Stakeholders



Welcome to our 2022 ESG report. I am pleased to present an update on our performance and activities in 2022 as we worked to enhance our ESG strategies and diversify our portfolio to a natural gas weighted producer. We began this transition with the safe onstream production of our first onshore natural gas well in 2022. This new phase encompasses the changing needs of our Company and our stakeholders and most importantly the country we operate in, Trinidad. As global energy demand increases and natural gas begins to replace carbon-intense resources, we will continue to produce and explore natural gas opportunities ultimately providing cleaner feedstock and energy for Trinidad.

AT TOUCHSTONE WE WANT TO MAKE A DIFFERENCE

Our approach to sustainability is focused on having a measurable impact on material issues. For this we need an accurate measurement of our emissions and a corresponding reduction plan. In 2022, we concentrated on enhancing our measurement of our sustainability impacts, and we transformed our roadmap to reduce GHG emissions by 50% by the end of 2025 into a comprehensive action plan.

Making a difference not only applies to our approach on sustainability and climate change initiatives, but also on how we as an organization are socially invested and strive to make a positive impact in the communities in which we operate. Helping and supporting people within these communities through education, healthcare, wellness, and essentials for livelihood are at the core of our values.

The hydrocarbons we produce support Trinidad in a variety of ways, including the generation of local electricity and providing fuel and raw materials for the petrochemical industry, and they contribute to the local economy by creating jobs in the industry and those it powers and supplies. Our ongoing engagement with our stakeholders illustrates our commitment to creating shared benefits. Our achievements must not only create value for our shareholders but also enhance the communities surrounding our operations.

OUR 2022 OPERATIONAL HIGHLIGHTS

I'm extremely proud of what our team achieved in 2022. We successfully and safely brought our first natural gas production onstream at Coho-1 located on the Ortoire block. This is extremely exciting for the Company, as Coho production represents the first stage of diversifying our product mix in Trinidad.

Secondly, we obtained approval on our Environmental Impact Assessment ("EIA") for the Cascadura facility and development project from the Environmental Management Authority ("EMA"), also located on the Ortoire block. The EIA supported the Certificate of Environmental Clearance ("CEC") approving the construction of our Cascadura facility with a designed production capacity of 200 MMcf of natural gas per day, 5,000 bbls/d per day of associated liquids, and a storage capacity of 8,800 barrels of combined associated liquids and water.

Our focus and commitment of safety being at the forefront of all aspects of our operations remained steady with a continued safety record of zero lost time incidents. The Company has a safety-first culture which must be complied by all consultants, employees, executives, and the Board of Directors (the "Board"). Nothing is more important than the safety of our people.

STRENGTHENING SUSTAINABILITY AT BOARD-LEVEL

In 2021, we saw the introduction of the Health, Safety, Social and Environmental ("HSSE") Committee, which provided a new forum to incorporate sustainability within our organization. In 2022, our HSSE Committee saw further diversification with the addition of two new members bringing a wide array of skills, knowledge, regional and industry expertise.

We are in an optimistic position to grow and continue to deliver sustainable value in the future. It is our belief that safe operations provide tangible benefits that result in long-term sustainability for our Company while making Trinidad a better place.

Paul R. Baay
Director, President and
Chief Executive Officer



INCORPORATING OUR PRIMARY ESG INITIATIVES

Our Materiality Process

Our approach to ESG is based on our understanding of the needs and demands of our stakeholders, combined with a focus on the issues that reflect our most significant economic, social and environmental impacts. We believe this approach helps us to be a stronger, more resilient business and enables us to maximize shareholder value.

IDENTIFYING KEY MATERIAL ISSUES







In 2020, we conducted a materiality process which included a review of peers and sustainability standards as well as interviews with stakeholders, to identify material issues and capture their perspectives. Management and the Board worked together to select Touchstone's material ESG issues.

In 2022, we confirmed that this list of material issues remained relevant and continues to reflect our most important ESG issues.

Based on our material issues, we developed a strategic approach to sustainability ensuring that we address what matters most. Our sustainability approach consists of three focus areas: environmental stewardship, enriching communities, and effective governance practices. We developed an ambition for each of these focus areas and grouped our material issues in each category. Each focus area and its related material issues make a valuable contribution to the advancement of the seven United Nations Sustainable Development Goals ("SDGs").

ADDRESSING KEY MATERIAL ISSUES

Our ESG Approach

Environmental Stewardship	Enriching Communities	Effective Governance Practices
Committing to minimize our impact on the environment	Ensuring the health and wellness of all stakeholders is our priority	Committing to sound governance practices and strong corporate leaderships
Climate change and our GHG emissions	Occupation health and safety	Good governance and accountability
Water management	Empowering people	Government relations and political advocacy
Waste management	Enriching local communities	Sound anti-corruption and ethics policies and monitoring
	  	 

BUILDING SUSTAINABLE VALUE

Our 2022 ESG Performance

CLIMATE AND ENVIRONMENT



0.24 tonnes CO₂e/boe carbon intensity, a 19% decrease compared to 2021



7% reduction in overall emissions in comparison to 2021



176% increase in injected water in comparison to 2021

HEALTH AND SAFETY



Zero incidents and fatalities amongst our workforce



2,974 health and safety training hours, a 174% increase compared to 2021



Zero fines and enforcements regarding safety

PEOPLE



Diversification and gender representation changes at the Board level with the addition of two new members bringing a wide array of skills, knowledge, regional awareness and industry



Zero cases of discrimination reported



38 average hours of training per employee

COMMUNITIES



Partnered with 24 local organizations



Number of service contracts with local providers increased by 56% in comparison to 2021



\$15.2MM local procurement spend in Trinidad

GOVERNANCE



100% re-certification of colleagues on our code of conduct and ethics



33% of directors were female



8 of 9 directors were independent

LISTENING TO OUR STAKEHOLDERS

Our Stakeholder Engagement

Our continued success as a business depends on the support of all our stakeholders. We actively engage our priority stakeholder groups in order to maintain their trust in our current operations and future plans.

CONNECTING WITH OUR STAKEHOLDERS

Touchstone reviews all stakeholders on an annual basis and identifies our priority stakeholders based on their proximity, dependence, influence and impact associated with our operations. In 2022, this included our people, operating partners, suppliers, local communities, lenders, investors, shareholders, government and regulatory bodies.

FOSTERING EFFECTIVE COMMUNICATION CHANNELS

During 2022, we continued to build a constructive dialogue with our priority stakeholder groups. We took a proactive approach in engaging them in a two-way conversation as outlined in the following table. While we do not specifically target other stakeholder groups, this does not mean we do not communicate with them. We provide regular updates through our communication channels to allow everyone to engage with Touchstone.



Stakeholder Group	Means of Engagement	Topics of Engagement	2022 Activity
Our People	<ul style="list-style-type: none"> Employee engagement surveys Weekly management and operation meetings Quarterly employee newsletters CEO communication through breakout meetings and corporate town halls Annual certification executed by all employees confirming knowledge and adherence to all Company policies Annual employee performance reviews SAFE cards Monthly safety meetings 	<ul style="list-style-type: none"> Occupational health and safety Training and development Diversity and inclusion Employee well-being Employee compensation Human rights 	<ul style="list-style-type: none"> Specific focus on increased training and awareness Continued development and encouragement of feedback via SAFE cards and leadership site visits
Operating Partners	<ul style="list-style-type: none"> Quarterly operational committee meetings Quarterly technical committee meetings Reviewing of technical and financial reporting General ongoing communication through emails and informal meetings Executive meetings with Heritage and NGC 	<ul style="list-style-type: none"> Occupational health and safety Financial sustainability Environmental performance Anti-corruption and ethics Community investment 	<ul style="list-style-type: none"> Continued development and encouragement of feedback via SAFE cards and leadership site visits
Suppliers	<ul style="list-style-type: none"> Formal request for quote/proposal process Vendor prequalification Formal Master Service Agreement Regular HSE meetings and orientation 	<ul style="list-style-type: none"> Local procurement Occupational health and safety Community investment Financial sustainability Anti-corruption and ethics 	<ul style="list-style-type: none"> Continued development and encouragement of feedback via SAFE cards and leadership site visits
Local Communities	<ul style="list-style-type: none"> Proactive communication through our Community Liaison Officer Project notifications via letter/email/social media Stakeholder meetings Grievance redress plan with communication through telephone, and mail Community drop boxes 	<ul style="list-style-type: none"> Environmental performance Emergency response readiness Safety performance Community investment Local employment Local procurement Anti-corruption and ethics 	<ul style="list-style-type: none"> Worked closely with our Community Liaison Officer to increase local employment Placed specific focus on community training sessions regarding emergency response and readiness near our Coho facility
Government and Regulatory Bodies	<ul style="list-style-type: none"> Quarterly operational committee meetings Quarterly technical committee meetings Participation in regulatory discussions Consultations and approval on projects Executive meetings with the government of Trinidad and Tobago 	<ul style="list-style-type: none"> Anti-corruption and ethics Climate risk and opportunities Government relations and political advocacy Community relations 	<ul style="list-style-type: none"> Worked closely with the government, the Trinidad and Tobago Ministry of Energy and Energy Initiatives ("MEEI") and the EMA on all regulatory applications and approvals

EMBEDDING ESG ACROSS OUR BUSINESS

Our ESG Governance Structure

To translate our strategic approach into action, we established ESG based internal structures and processes to implement change initiatives. This allows us to manage potential risks, take advantage of opportunities and be held accountable for our progress and performance.

SUSTAINABILITY STEWARDSHIP

Our Board is the ultimate decision maker regarding ESG, and it established an HSSE Committee in 2021. The HSSE Committee is the main corporate body that provides oversight on a range of sustainability issues, although sustainability issues may also be covered by our Board's other committees.

The HSSE Committee is comprised of four independent board members who meet quarterly with Management and report to the Board.

Discussions cover risks, opportunities, corporate policies and strategies to embed sustainability across our business. Refer to the "[Governance – Importance of Corporate Governance](#)" section of this ESG report for further information.

STEERING FOR POSITIVE SUSTAINABILITY IMPACT

Our Management, led by our President and Chief Executive Officer, has taken the lead on implementing our sustainability approach. Currently, he oversees our safety and social programs; our Chief Operating Officer manages our environmental risks and opportunities; and our Chief Financial Officer stewards our governance practices.

They are supported in this work by subject matter experts, who champion sustainability across their roles and teams.

The following diagram illustrates the flow of our ESG governance structure:



ADVANCING THE SDGS





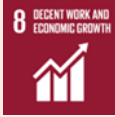
Our Main ESG Focus Areas

The SDGs were developed by the United Nations to set the global sustainable development agenda until 2030. Touchstone supports the SDGs and believes that, while they apply mostly to nation states, we can make a valuable contribution through our core activities and community engagement.

Read more about the SDGs [here](#).

IDENTIFYING PRIORITY IMPACTS

As part of our sustainability approach (see "[Embedding ESG Across our Business](#)" section of this report for further information), we have established three core focus areas that each encompasses our material issues. We believe these focus areas are where Touchstone can have the greatest impact, and that is where we have sought to align to the most relevant SDGs.

Focus Area	SDGs Alignment	Examples
Environmental stewardship		<ul style="list-style-type: none">• We work to minimize our greenhouse gas emissions across our operations• We minimize our negative environmental impacts with the reduction of water released into the environment through disposal of water into injection wells
Effective governance practices		<ul style="list-style-type: none">• We are a transparent company to ensure accountability• We have a constructive dialogue with our host government and other local stakeholders• We value ethical behaviour and have a robust compliance approach to anti-bribery and corruption
Enriching communities	  	<ul style="list-style-type: none">• We provide a safe and secure working environment for our people and our visitors• We build a diverse and inclusive workplace in which people feel respected and heard• To improve local prosperity we work in partnership within the communities we operate in



ENVIRONMENT

Our Climate and Environmental Performance

2022 SUMMARY



0.24 TONNES CO₂e/BOE
CARBON
INTENSITY,
A 19% DECREASE
FROM 2021



7% REDUCTION IN
OVERALL
EMISSIONS IN
COMPARISON TO
2021



ONE ENVIRONMENTAL
INCIDENT

OUR GOALS

50% reduction in vent gas emissions from our 2020 baseline by the end of 2025.

Roadmap by the end of 2023 for zero produced water being released into the environment.



“By providing comprehensive ESG reports, we can attract and retain investors who prioritize responsible business practices. We continue to show our commitment by building better relationships and adhering to a high-level of governance.”

Dr. Priya Marajh PhD, LL.B
Director
Member, Compensation and Governance Committee
Member, HSSE Committee

MITIGATING OUR CLIMATE RISKS

Our Climate and Environment Performance in 2022

We recognize that we are vulnerable to climate change. Climate has a direct impact on our people and operations, and while we recognize that climate change is a national development issue, Touchstone is committed to doing our part at a corporate level.

OVERSEEING CLIMATE AT TOUCHSTONE

Touchstone considers climate change as a key material risk to the Company, and we are committed to managing our operations in a way that minimizes our environmental footprint. Responsibility for the governance of climate change-related risks and opportunities lies with the Board, which has delegated its responsibilities to its HSSE Committee for oversight.

The assessment and management of climate change-related risks and opportunities are spearheaded by our senior executives who are supported by subject matter experts who promote sustainability in their respective teams and functions. At Touchstone, every member of our organization is dedicated to making a meaningful impact in addressing climate change.

IDENTIFYING AND HIGH-GRADING RISKS AND OPPORTUNITIES

We recognize that climate change poses significant risks and opportunities to our business, and we are considering undertaking detailed climate change-related scenario planning. The main transition risks and opportunities as well as physical risks are outlined in the table on page 12.

To mitigate these risks, we are taking a proactive approach in reducing our environmental impact. We implemented an Environmental Policy Statement, Environmental Programs Procedure and Environmental Management Program to monitor and comply with regulatory legislation and to follow industry best practices around climate change and minimizing our impacts on the environment. We embedded this focus on our wider environment compliance framework, and we continuously promote behaviours that are part of a sustainable culture through communicating our commitments to our people, contractors, and other stakeholders. Climate change considerations are a part of our evaluation of new opportunities, and to maximize climate change-related opportunities, our strategy is to embrace natural gas as a transitional fuel with a lower carbon intensity to diversify our output. The commencement of natural gas production from Coho-1 in 2022 represents the initial stage of this transition.



BUILDING OUR APPROACH TO CLIMATE

Touchstone believes that environmental preservation and sustainability begins with our own operations. Our risk management framework establishes clear procedures for risk identification, assessment, measurement, mitigation, monitoring and reporting. While the Board establishes risk tolerance, Management, led by our President and Chief Executive Officer, owns the climate change-related risk. Risk mitigation, monitoring and reporting are supported by operational teams across our business. Our Board and Management together assess this risk on an annual basis and use this to develop our climate approach.

Acknowledging that vent gas from our oil producing wells is our largest source of emissions, we are actively implementing clean initiatives aimed at reducing vent gas. Our approach to risk mitigation is exemplified in our Coho and Cascadura facilities that have been designed and constructed as closed systems with no natural gas vented in regular operations. At the Cascadura facility, to conserve any natural gas that is released from the condensate and water storage tanks, vapour recovery units have been installed to compress any vent natural gas back into the processing facility. The facilities are also designed to contain gas detection devices to avoid any fugitive emissions.

Additionally, the power supply for certain equipment at our Coho facility such as the telecommunications tower, meter shed, office container and on-site lighting are provided by solar panels, delivering an efficient and abundant power source while reducing CO₂ and CH₄ emissions. In alignment with our corporate values, which prioritize advancing environmentally sustainable practices, we are actively working on a reforestation program. The goal of this program is to ensure that every tree removed is replaced. Our mandate is conservation focused and with that, we reach for zero net loss of trees.

In 2022, a team of employees from various departments within Touchstone began to research the ways to enter the implementation and execution phase of the reforestation program. Initial field visits were conducted to examine topography, drainage and soil suitability. Touchstone intends to enter into a reforestation alliance with the Forestry Division of the Ministry of Agriculture, Land and Fisheries to achieve this objective. A potential collaboration with the Forestry Division will provide expert and extremely valued guidance throughout the life of this project.



MEASURING OUR CLIMATE IMPACT

The Company has set internal targets to reduce operational Scope 1 and Scope 2 GHG emissions by 50% by the end of 2025 from our 2020 baseline. We measure and report the following specific key performance indicators ("KPIs"), and these KPIs are measured internally at an asset, country, and company-wide level:

Scope 1 GHG emissions;
Scope 2 GHG emissions; and
Scope 1 + 2 GHG emissions intensity.

We have not yet established a Scope 3 baseline due to uncertainty in third-party data gathering.

Transition risks	Time frame	Potential impact
Market risks		
Access for finance for oil and gas projects is becoming more restricted due to shareholder activism	Short-term	Restricted access to debt and/or equity financing resulting in the lack of ability to invest in existing and future assets
Capital for oil and gas projects is becoming more expensive due to changing investor sentiment	Short-term	Higher costs of capital through debt and/or equity financing result in a diminished ability to invest in existing and future assets and may make more current projects uneconomic
Reduction in demand for hydrocarbons as a result of the energy transition and commodity pricing	Medium to long-term	Asset values decrease with a likely negative impact on profitability
Policy and legal risks		
Introducing carbon taxation and other climate-related regulations	Short to medium-term	Operating costs and/or taxation costs increase due to the inclusion of carbon costs
Government introduced emissions reduction requirements	Medium-term	Capital expenditures and operational costs increase to reduce emissions
Physical risks	Time frame	Potential impact
Acute risk		
Extreme weather such as coastal flooding, extreme heat and water stress	Short to medium-term	Supply chain delays in receiving supplies, materials and equipment, increased costs of logistics and insurance, disruption to production and distribution pipelines
Chronic risk		
Extreme heat days associated with climate change increase	Medium to long-term	Our people's health and safety could be impacted by working in prolonged heat
Extreme shifts in rain/drought associated with climate change increase	Medium to long-term	Our operations will be impacted without access to water or if there are floods from extended rainfalls
Rising sea levels	Medium to long-term	Our people and operations would be impacted by possible flooding, contamination of water sources and ecological, cultural, and economic damage
Opportunity	Time frame	Potential impact
Transition opportunity		
Shift to natural gas as a transition fuel in the energy transition	Short to medium-term	Long-term gas contract provides cash flow certainty and potential new business opportunities
Becoming a "responsible steward" of operating existing assets in an environmentally friendly way	Short to medium-term	Touchstone to remain the operator of choice in the region and beyond
Potential for carbon capture, utilisation and storage	Medium to long-term	Proactive and early adoption of clean technologies to further reduce our environmental footprint

MINIMIZING OUR CARBON EMISSIONS

Our Climate and Environment Performance

ADDRESSING SCOPE 1 EMISSIONS

We established our emissions baseline in our inaugural 2020 sustainability report, and we further refined measurement and reporting of our Scope 1 emissions in 2021. This method for deriving Scope 1 emissions continued into 2022, whereby specific gas composition parameters for methane percentage, carbon dioxide and gas density were applied to producing oil wells to calculate our vent gas emissions. 99.6% of our 2022 Scope 1 emissions consisted of vent gas (methane or CH₄) associated with our crude oil production.

Scope 1 emissions refer to direct emissions from sources that are owned or controlled by an organization. Our 2022 Scope 1 emissions included vent gas, flare gas and vehicle exhaust gas. Our 2022 Scope 1 emissions were 151,801 tonnes of CO₂e representing a 7% decrease from 163,249 tonnes reported in 2021. These emissions are from production of 624,492 boe in 2022, an increase of 14% from 547,042 reported in 2021. With our first onshore gas well coming onstream in 2022, we saw an increase in total production volumes on a boe basis. However, oil production decreased slightly year-over-year, which resulted in a reduction of vent gas emissions. In 2022, vent gas emissions were 300,986 Mcf, down 6% from 2021 reported emissions of 320,790 Mcf.

Touchstone is dedicated to reducing its impact on the environment, and vent gas emissions are the major area of focus. In our 2021 sustainability report, we discussed establishing a three-year roadmap in 2022 to significantly reduce our GHG emissions. This plan includes reducing our GHG emissions by at least 50% from our 2020 baseline by the end of 2025. It focuses on high grading individual wells within our the producing oil blocks that contribute to greater than 50% of our vent gas emissions.

We have explored several options such as injection into natural gas pipeline infrastructure, gas to power, gas to heat, thermal oxidation, flaring and incineration. In order to successfully achieve this mitigation goal and make the biggest reduction impact, we must geographically centralize the vent gas

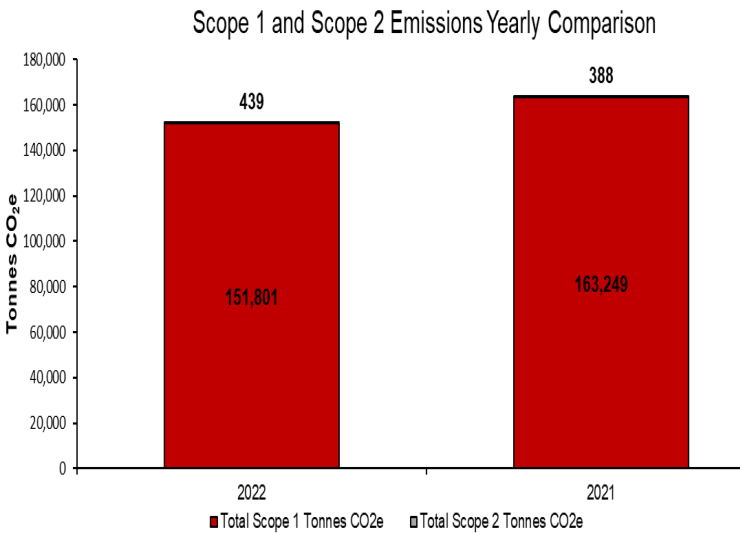
from our top vent gas producing wells by collectively gathering and combining these volumes into one pipeline system to a central location where the vent gas can be treated.

This is a "sum of small parts" solution and allows us to make the biggest impact with the most volumes. There are currently no established regulatory frameworks addressing vent gas emissions in Trinidad, and our solution to reduce vent gas emissions is expected to increase future regulatory considerations.

The near-term plan for this project involve mapping out the top vent gas producing wells, surveying the ideal location for this gathering system and beginning the groundwork towards both regulatory and partner approvals.

Emissions from our vehicles increased by 9% in 2022. This increase was due to the number of vehicles increasing from 33 to 36 as facility construction operations increased. In an effort to improve operations and decrease Scope 1 emissions, in 2022 we installed remote monitoring systems on our key wells, allowing employees to remotely monitor well performance to reduce the need for onsite supervision.

Relative to 2021, our emissions from flaring were down 96% in 2022 to 30 tonnes of CO₂e (2021 - 804 tonnes of CO₂e), as we did not drill, complete and test any wells in 2022.



MINIMIZING SCOPE 2 EMISSIONS

Scope 2 emissions refer to indirect emissions from the consumption of purchased electricity. Our Scope 2 emissions include electricity consumed in our offices in Canada and Trinidad and any other electricity consumption associated with our operations. In 2022, our estimated energy consumption was 829,293 kWh, down 13% from the 955,554 kWh consumed in the previous year. Our 2022 Scope 2 emissions were 439 tonnes of CO₂e compared to 388 tonnes of CO₂e in 2021.

When comparing our Scope 1 and 2 emissions from 2021 to 2022, our carbon intensity decreased by 19% from 0.30 tonnes of CO₂e/boe in 2021 to 0.24 CO₂e/boe in 2022.

TRACKING SCOPE 3 EMISSIONS

Scope 3 emissions are the result of activities from assets not owned or controlled by the reporting organization but that the organization indirectly affects in its value chain. Touchstone has not yet developed a Scope 3 emission baseline due to uncertainty of third-party data gathering.

Pioneering Onshore Water Disposal and Cultivating a Culture of Sustainability

“As a Caribbean community, the Republic of Trinidad and Tobago is highly susceptible to climate change. Our team and operations are vital to Trinidad's success thus our goals to mitigate climate change and reduce our environmental impact are paramount. As Trinidad's first company to implement onshore water disposal with the goal of eliminating all produced water at surface, we continue concerted efforts to change the culture of waste at both an individual and corporate level. I am extremely proud that Touchstone continues to be at the forefront of environmental stewardship in Trinidad.”

Lynn Anderson, B.Sc. Geol., P.Geol
Subsurface Manager



ADDRESSING OUR ENVIRONMENTAL IMPACTS

A Commitment to Responsible Resource Management

REDUCING OUR WATER USE

Water is a crucial resource for oil and gas exploration and production. Accordingly, we closely track all produced, consumed, injected and disposed water.

We do not operate in or adjacent to regions with high or extremely high baseline water stress. Source water for our operations consists of a combination of recycled produced water, saline and fresh water.

We strive to limit and minimize our water withdrawal and to ensure safe injection and disposal of water. Our water consumption includes water used in our operations and in our Calgary and Trinidad offices.

- In 2022, our wells yielded a total of 41,464 m³ of produced water. This was down 1.2% from the prior year (2021 - 41,967 m³), attributed to a decrease in crude oil production in 2022 and the installation of timers on select producing oil wells.
- In 2022, we did not drill any new wells, whereas in 2021 we utilized 2,982 m³ of water for drilling operations.
- Our estimated total water consumption in 2022 was 8,253 m³, down 41% from 13,960 m³ in 2021. The annual decrease was attributed to no new wells drilled and the reduction of major well workovers in 2022.
- In 2022, 15,164 m³ of water was injected into disposal wells, representing a 176% increase from the previous year (2021 - 5,503 m³). We successfully added four additional disposal wells in 2022 bringing our total to seven.

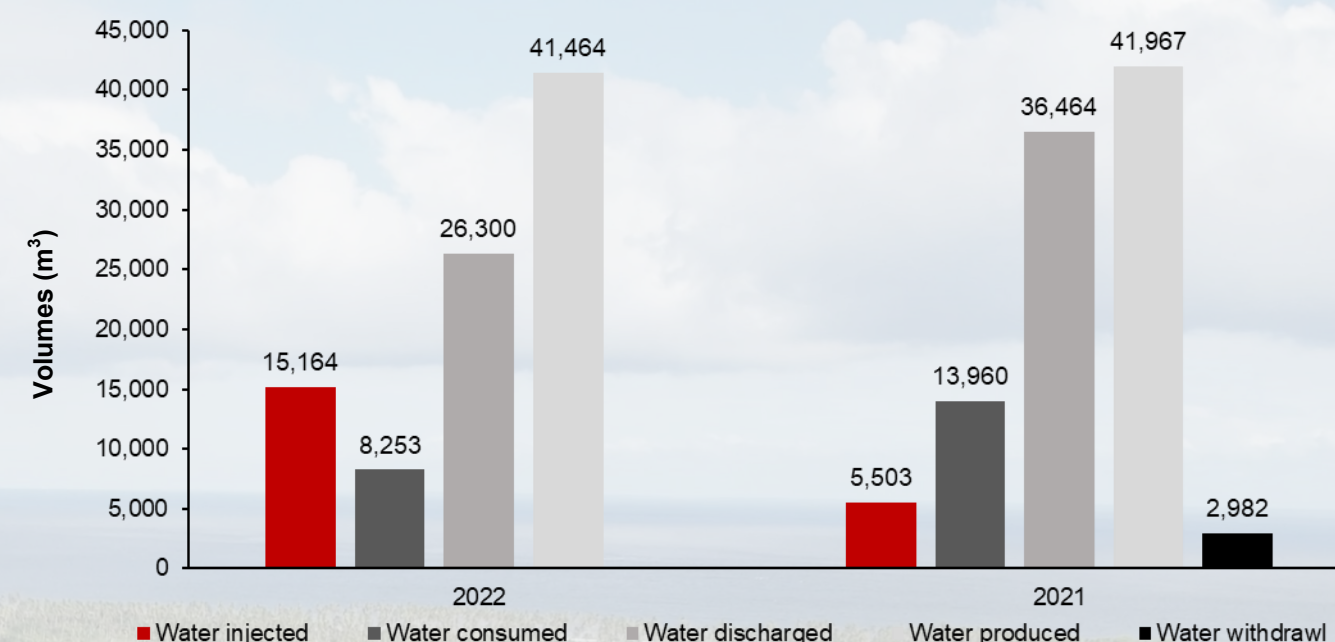
- In 2022, 26,300 m³ of water was treated and released into the environment, representing a 28% decrease compared to the previous year (2021 - 36,464 m³). This water met all regulatory requirements prior to being released.
- In 2022 and 2021, we had no hydraulically fractured wells.

Touchstone has targeted to develop a roadmap by year-end 2023 for zero produced water being released into the environment in future years. This process has begun with three conservation proposals currently submitted and pending approval from the appropriate regulatory authorities.

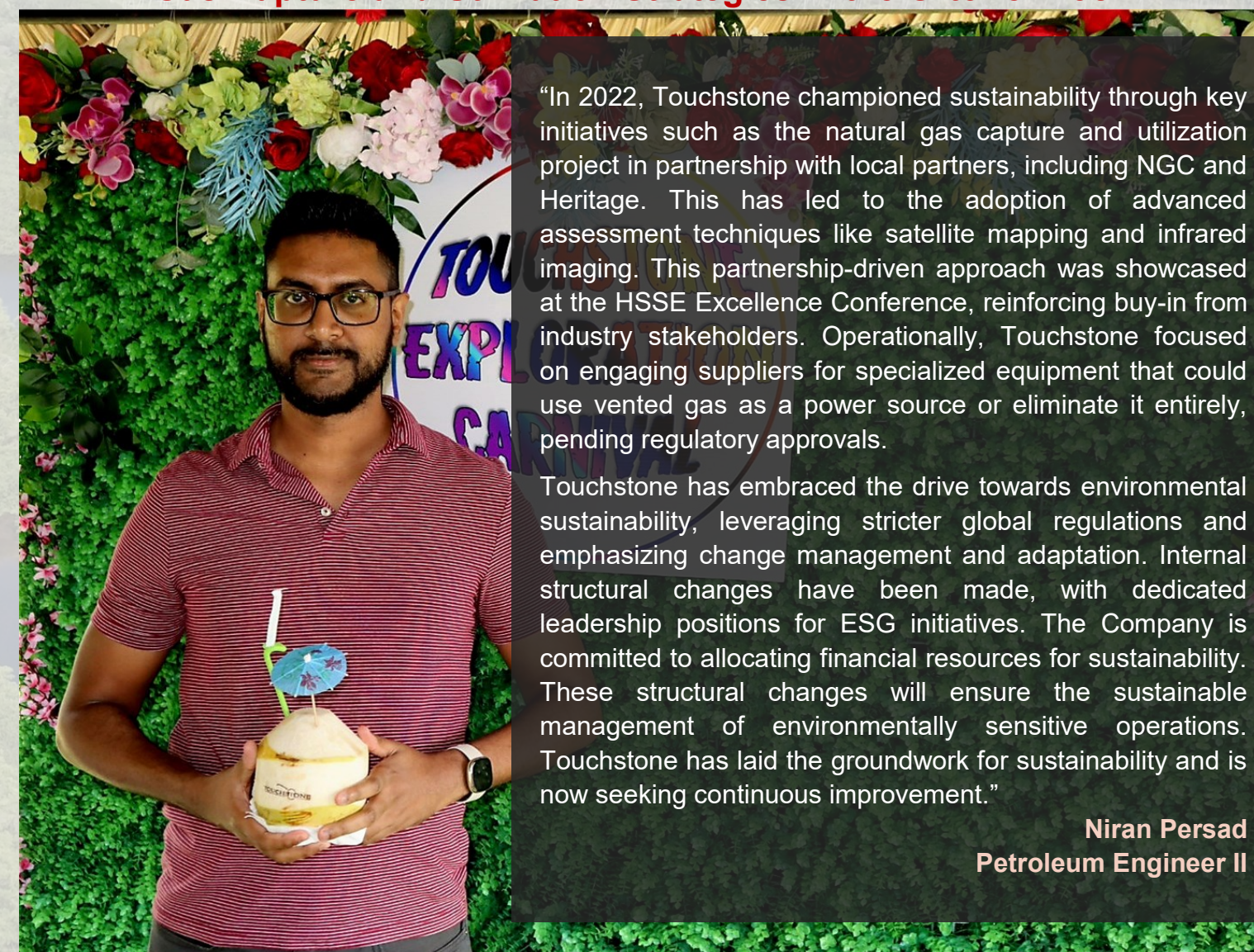
15,164 m³

OF WATER INJECTED INTO DISPOSAL WELLS

Water Production, Withdrawal, Consumption, Injection and Release Comparison



Transforming Operations through Effective Gas Capture and Utilization Strategies in the Ortoire Block



"In 2022, Touchstone championed sustainability through key initiatives such as the natural gas capture and utilization project in partnership with local partners, including NGC and Heritage. This has led to the adoption of advanced assessment techniques like satellite mapping and infrared imaging. This partnership-driven approach was showcased at the HSSE Excellence Conference, reinforcing buy-in from industry stakeholders. Operationally, Touchstone focused on engaging suppliers for specialized equipment that could use vented gas as a power source or eliminate it entirely, pending regulatory approvals.

Touchstone has embraced the drive towards environmental sustainability, leveraging stricter global regulations and emphasizing change management and adaptation. Internal structural changes have been made, with dedicated leadership positions for ESG initiatives. The Company is committed to allocating financial resources for sustainability. These structural changes will ensure the sustainable management of environmentally sensitive operations. Touchstone has laid the groundwork for sustainability and is now seeking continuous improvement."

Niran Persad
Petroleum Engineer II

REDUCING OUR WASTE AND BIODIVERSITY IMPACTS

With increased operations in the Ortoire block, our environmental footprint has expanded. However, with this expansion there is also increased due diligence, monitoring, and overall preservation of the environment and ecological systems, with particular attention to environmentally sensitive species. As stewards of the environment, we are committed to minimizing our negative impact on the environment and ensuring that our actions are documented, measured and monitored for continuous improvement.

RESPONSIBLE OPERATIONS AND INCIDENT RESPONSE

In 2022, we received a CEC for a multi-well surface production facility in our Cascadura field. Multi-well pads minimize environmental footprint, and all our operation activities are mandated in accordance with Air Pollution Rules, 2014 (APR), Water Pollution Rules, 2019 (WPR) and NPCR Noise Pollution Control Rules, 2001 (NPCR).

We had one recordable oil spill incident on June 22, 2022 as a result of vandalism. As per our oil spill contingency plan, immediate steps were taken to control and contain the spill while also attending to affected residents regarding health and safety concerns. Within four hours of the spill being reported, an earthen embankment was constructed to contain the oil at the furthest point of spread.

Following a thorough review, approximately 620 barrels of crude oil was released into the environment. By July 1, 2022, 487 barrels of oil was recovered from the watercourses. Focus was placed on removing contaminated soil and vegetation along with oily waste.

In addition to the environmental reclamation and remediation measures, we also prioritized the safety and well-being of the local community impacted by the spill. As part of our commitment to responsible corporate citizenship, we provided temporary relocation, meals, and medical assessments to those in need as well as grocery vouchers to all families affected, recognizing the financial burden that is associated with such an incident.

We were grateful that no major adverse medical conditions were reported as a result of the spill, and we took all necessary precautions to ensure the health and safety of those impacted. After comprehensive air quality monitoring was conducted, testing parameters were found to be within permissible limits, and all residents were able to return to their homes by July 2, 2022.

Following the oil spill, we reviewed all aspects of the incident and our response including policies and procedures, internal controls, and incident response training. As a result, Touchstone has put in place enhanced safeguards and policies to minimize the impact of similar events on our operations, the community, and the environment.

REDUCING WASTE AND BIODIVERSITY IMPACTS

We are committed to ensuring that we minimize our negative impact on biodiversity and ecosystems. We ensure we have all the impact assessments and appropriate permits in place, and strive to go above and beyond local regulatory requirements. We had environmental management plans in place for all our assets in 2022. Our oil and gas reserves are not in or near sites with protected conservation status or endangered species habitat (including areas of high biodiversity value), in or near areas of conflict and in or near areas of indigenous land. We prioritize the use of existing roads and passing points to minimize our direct impact on the natural environment.



Integrated Strategies for Environmental, Social, and Economic Advancement

“Overall, our current approach to sustainability entails ESG considerations and integrated strategies that encompass stakeholder engagement, climate action, supply chain sustainability, transparent disclosures, and technological advancements. Our commitment around sustainability issues reflect our growing recognition of the need to balance environmental stewardship, social responsibility, and economic prosperity.

Focusing on emissions reductions, we can make a contribution to mitigating climate change and achieving our sustainability goals, such as laying the groundwork for a reforestation program, installing solar panels at our Coho natural gas facility to supply power for equipment and on-site lighting, providing a renewable energy source while reducing greenhouse gas emissions, and planting community gardens in areas where we operate to increase locally produced goods, reducing the need for imported food supply chains and related transportation.

Investors are increasingly considering ESG factors when making investment decisions. They want to understand how a company manages its environmental risks, addresses social issues, and maintains sound governance practices. By providing comprehensive ESG reports, we can attract and retain investors who prioritize responsible business practices. We continue to show our commitment by building better relationships and adhering to a high level of governance. We look forward to doing our part to ensure a sustainable future.”

Dr. Priya Marajh, PhD, LL.B
Director
Member, Compensation and Governance Committee
Member, HSSE Committee

SOCIAL

Building a Safety-First Culture, Empowering Our People and Community Engagement

2022 SUMMARY



ZERO LOST TIME INJURIES
RECORDED



2,974 HEALTH AND
SAFETY TRAINING HOURS,
UP 174% FROM 2021



\$15.2MM LOCAL
PROCUREMENT SPENT IN
TRINIDAD



“In 2022, we maintained our record of zero lost time incidents, and continued our trend of digitizing our processes and procedures.”

Rhea De Gourville
HSE Manager

OUR HEALTH AND SAFETY PERFORMANCE 2022

Promoting a Culture of Safety and Compliance

Our number one operational priority is ensuring that our colleagues, contractors and visitors on our sites as well as local communities remain safe from harm. We embed safety at all stages of our decision making and promote a safety-first culture. With this, we create environments where we minimize the risk of creating harm.

EMBEDDING SAFETY IN OUR WORKPLACE

Our goal remains to achieve zero accidents and injuries throughout our operations through a preventative program. A key component of achieving this goal is ensuring our Health, Safety and Environmental Management System ("HSEMS") is compliant with legislation in Trinidad and is continually updated to provide the coverage needed as an organization. Our HSEMS sets out the policies, procedures and plans and governs our day-to-day operations. In 2022, we continued with the preparation for the recertification process by the Energy Chamber of Trinidad and Tobago to meet Safe To Work ("STOW") best practice in the industry, with a goal for recertification by the end of 2023. In 2022 we remained in compliance with all health and safety regulatory legislation requirements from the MEEI, Occupational Safety and Health Agency and the EMA.

Underpinned by our HSEMS, we continue to promote a safety-first culture. This culture not only flows from our corporate values but also from our program of ongoing health and safety training. All of our colleagues undergo safety training appropriate for their roles, which is conducted by specialized consultants. Certification renewals are conducted every two to three years, varying based on the type of training received. We also mandate contractors on all sites to have adequately trained staff in order to be eligible for consideration for hire. In addition to the above, in 2022, we also initiated a community emergency response training program, where the community in proximity to our Coho gas facility received safety training appropriate for various types of emergencies.

In 2022, we recorded 2,974 health and safety training hours, mostly related to certification and new training sessions required for us to achieve compliance for our STOW certification (2021 - 1,087 hours).

The HSSE Committee reviews performance on health and safety in the form of a dashboard every quarter. This committee ensures that the tone from the top underscores the importance of a safety-first culture and tracks the progress on any remedial action required.

2,974
EMPLOYEE
HEALTH AND
SAFETY
TRAINING HOURS



Advancing Safety Excellence and Digital Transformation for Sustainable Operations

"As Touchstone continues to grow, sustainable operations are a core part of our vision for the future. An integral component of this vision is our continued focus and emphasis on health and safety, as they are critically important for the well-being of the organization, as well as our stakeholders and the communities where we operate.

In 2022, we maintained our record of zero lost time incidents and continued our trend of digitizing our processes and procedures. Combined with our SAFE card program, the creation and maintenance of databases helped us track our progress on inspections, maintain compliance, generate follow-up action, and enhanced our drive for minimization and eradication of unsafe actions and conditions. In addition, increased training initiatives further allowed for our team members' recognition of mitigating incidents more seamlessly and effortlessly.

As we look toward 2023, the continued implementation of technology will take us to the next level of building effective health and safety management systems that prevent workplace injuries, improve compliance with laws and regulations and reduce costs, as we promote sustainable operations."

Rhea de Gourville
HSE Manager

HEALTH, SAFETY, AND WELL-BEING

Safeguarding Operations and Assets through Proactive Measures

EMERGENCY PREPAREDNESS

Alongside the safety of all people whom we interact with at Touchstone, we are also responsible for the integrity of our operations and assets. Process safety relates to the prevention of major accident hazards, such as explosions, fires, and toxic releases associated with oil and gas exploration and production. The security and stability of our facilities is a fundamental aspect of our management that we address through policies, standards, training and risk management.

The nature of hydrocarbon exploration and production carries inherent risk, and there are always unforeseen events that can negatively impact not only people but also the local environment. The implementation of our process safety procedures for facility security, business continuity and emergency response ensure we are prepared for any eventuality. We have a program of emergency response training and exercises involving credible scenarios that we conduct every year. In 2022, we recorded no technical or non-technical delays.

LEARNING FROM INCIDENTS

The ultimate goal is to prevent the occurrence of harmful incidents and accidents. We continue to empower our colleagues and contractors to report concerns via the SAFE card system before anything happens. SAFE cards allow for anonymous reporting (both physical or virtual) of any unsafe actions and conditions observed on any of our facilities. In addition, training was also introduced to our colleagues for hazard identification and risk assessment, as well as hazard communication awareness to aid in swifter recognition of unsafe action or conditions. In combination with the SAFE card system, this enhances reporting and addressing of any potential unsafe actions or conditions and implementation of mitigation measures where required.

In 2022, we registered zero fatalities and recordable incidents. In 2022, we recorded one near miss incident involving our employees and three near miss incidents with our contractors. Two of the incidents were caused by acts of nature, underscoring the need for continuous diligence following severe weather occurrences. There was a reduction in the number of recordable incidents to two involving our contractors in 2022. We have taken the opportunity to reinforce our safety policies, practices, and processes with our contractors to avoid any further incidents.

PROMOTING HEALTH AND WELL-BEING

Our focus is not just on the physical but also on the mental health of our colleagues and contractors. Prior to the COVID-19 pandemic, we offered regular third-party support for mental health issues. During and after the pandemic, in which mental health was more important than ever, we ensured that this support became available digitally. In 2022 we provided webinars on topics such as mental health, sensitive communication, work/life balance and stress management.

ZERO

WORKFORCE RECORDABLE INCIDENTS AND FATALITIES FOR THE THIRD YEAR RUNNING

Health and safety – employees	Target	2022	2021	2020
Total recordable incidents	Nil	Nil	Nil	Nil
Near miss incidents	Nil	1	2	Nil
Lost time injuries	Nil	Nil	Nil	Nil

Health and safety – contractors	Target	2022	2021	2020
Total recordable incidents	Nil	2	3	3
Near miss incidents	Nil	3	1	Nil
Lost time injuries	Nil	Nil	Nil	3

INVESTING IN OUR PEOPLE

Our People Performance in 2022

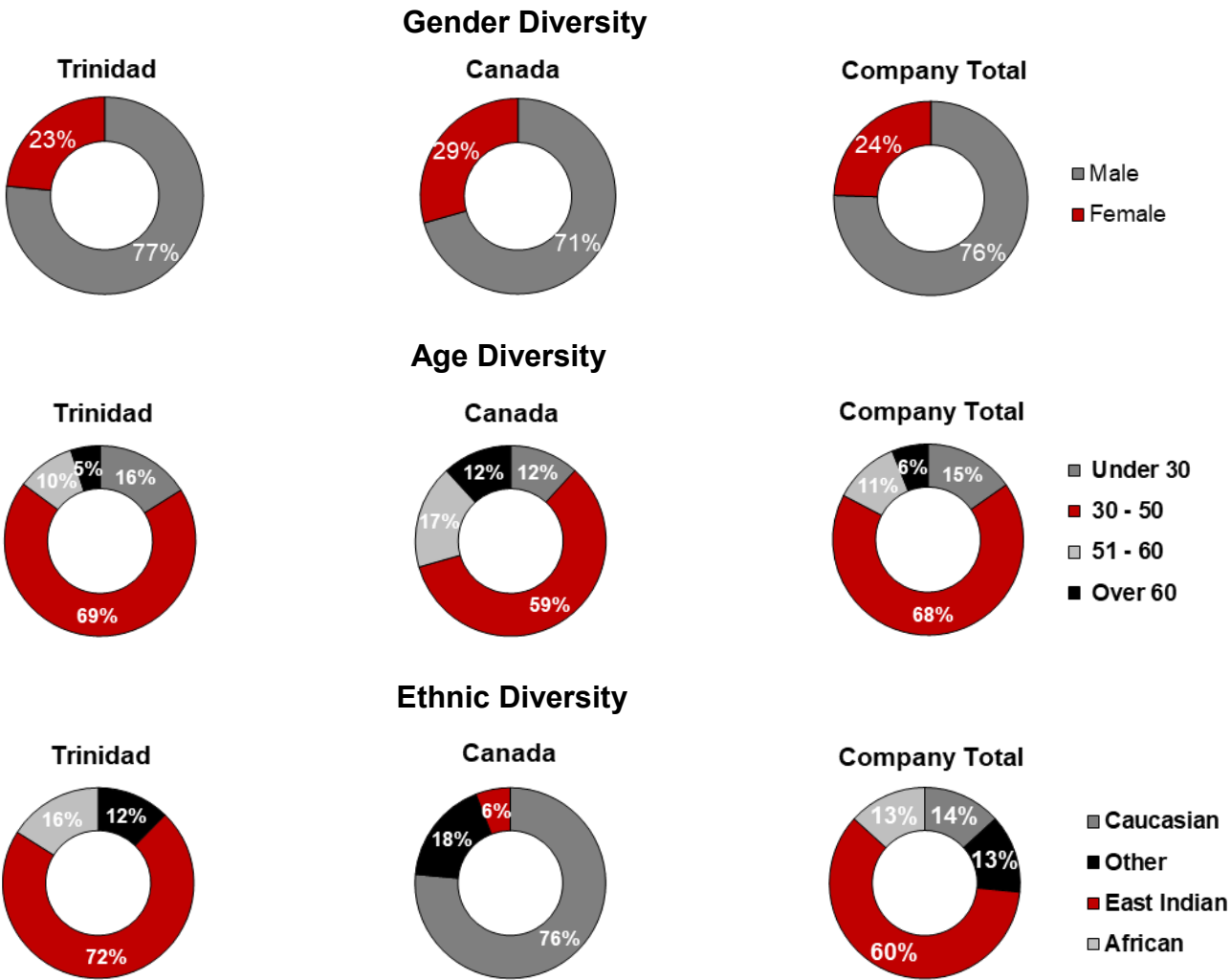
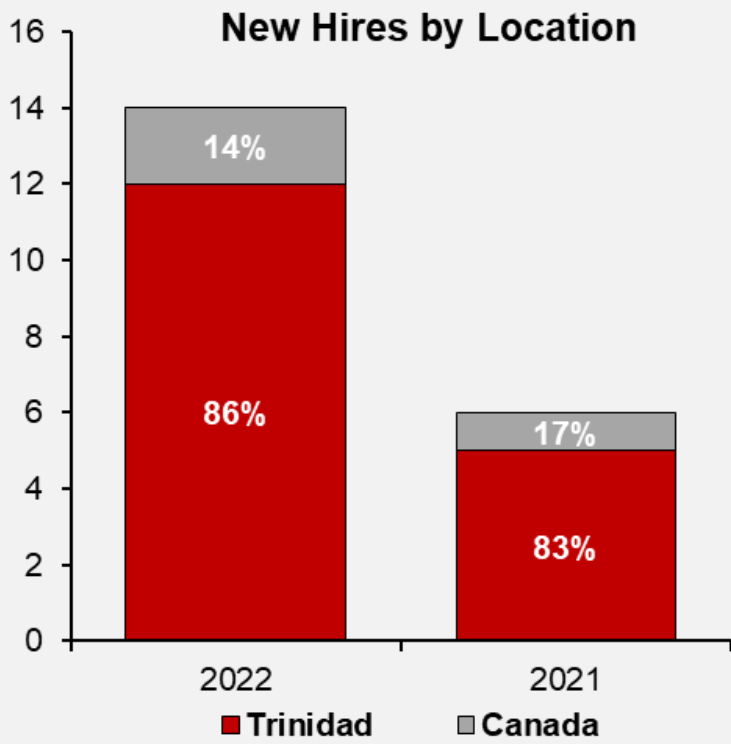
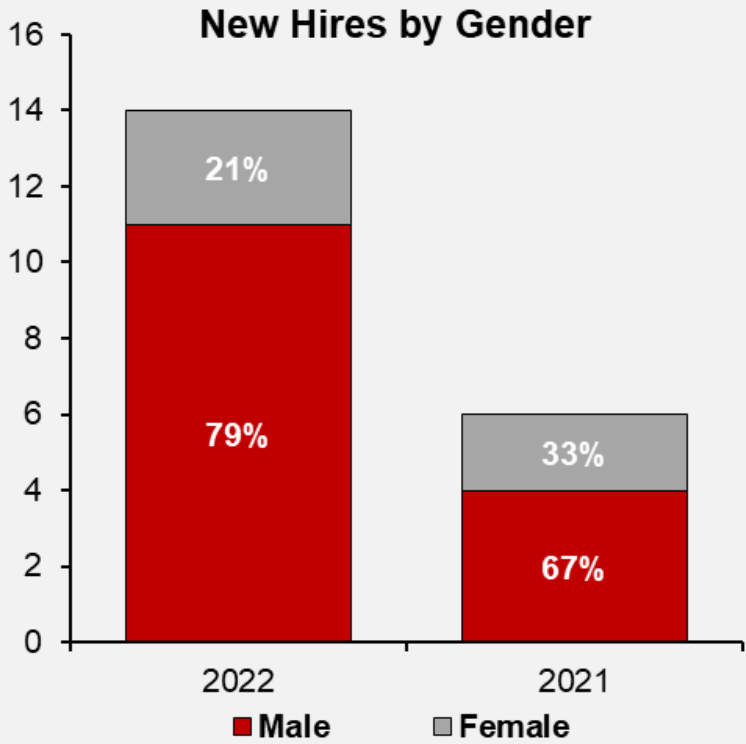
We believe that with a diverse group of colleagues and an inclusive culture we are a better business. Through investments in attracting, retaining and developing our talent, we strive to be an employer of choice in our industry. We have developed and maintain effective programs for recruitment, training and rewards that work hand-in-hand with our focus on diversity and inclusion.

APPROACH

We recognize that our success depends on our people and the contributions they make. We strive to offer exciting career pathways, safe working conditions, competitive compensation and comprehensive learning and development opportunities. Overseen by the Board's Compensation and Governance Committee, our approach reflects our growing footprint, covering both urban offices and operational sites in remote areas as well as a diverse set of cultures. As a result, our approach is not one-size-fits-all. At the heart of our talent approach is our values. We not only use those values to develop behaviours that we expect from our people but also from our contractors, suppliers and other people we work with.

RECRUITMENT

We continue to work on expanding our recruitment approach to attract a diverse team of engaged, dedicated employees, while ensuring our culture supports our corporate goals. Touchstone offers equal career opportunities to attract diverse talent and to position the Company to be an employer of choice. In 2022, we recruited new colleagues across both countries with the majority (86%) in Trinidad. 21% of our new hires in 2022 were female. The decline in female hires in 2022 from the 33% reported in 2021 was primarily due to the majority of new positions being field roles, which generally attracts minimal female applicants.



CREATING AN INCLUSIVE WORKPLACE

Our People Performance in 2022

ENCOURAGING DIVERSITY IN OUR WORK FORCE

At Touchstone we recognize that a diverse range of backgrounds, skill sets, and experiences helps enrich our inclusive culture and creates a positive impact on delivering our corporate performance. In addition, diversity ensures a boarder range of perspectives, brings more information to the table, increases creativity, and ultimately improves decision-making.

We work at maintaining a diverse workforce, an inclusive environment and zero tolerance for all forms of prejudice and discrimination. Through building a safe space where everyone is respected and heard, we encourage our colleagues to speak up when they feel they can't bring their whole self to work.

Having made good progress in the last few years, we understand that the oil and gas industry faces some challenges specific to diversity, including the fact that males are disproportionality represented in the sector, particularly in technical and field roles. In 2023, we will be introducing team members, ranging from senior staff to executives, to an accelerated leadership program to enhance their skills and ensure that their leadership supports an inclusive culture.

As a relatively small employer with fewer than 100 people, one or two personnel changes can significantly impact our diversity statistics in a single year.

We are actively working to increase female representation in our workforce. In 2022, 24% of our colleagues were female, and the proportion of our female colleagues demographically was 23% in Trinidad and 29% in Canada.

We had a diverse age range in the workforce, tapping into every generation for their contribution. In 2022, the Company's diverse age range was comparable to 2021 with 15% of our colleagues under 30 years old, 67% between the ages of 30 and 50 and 17% over the age of 50.

We continue to be a racially diverse workforce that reflects the communities where we live and operate. In 2022 our racial diversity remained relatively consistent with 2021, with 60% of our staff identified as East Indian, 13% as African, 13% as Caucasian and 13% as other.



INCLUSIVE WORKPLACE

ZERO TOLERANCE FOR DISCRIMINATION

SAFE SPACE FOR ALL EMPLOYEES

ZERO
ALLEGATIONS
OR CASES OF
DISCRIMINATION

ENGAGING OUR COLLEAGUES

In order to bring us closer together, engage our workforce and maintain a focus on our strategic priorities, we have a variety of formal and informal communication channels across our business. Our most important communication strategy is to bring our colleagues in direct contact with Management and executives, which aligns with our approach to having a flat organizational structure. There are regular town halls that include both Canada and Trinidad based employees to keep everyone informed on major developments. In addition, we send out a range of tailored and focused weekly and quarterly newsletters highlighting operations, department achievements and recognizing staff performance.

Every year we solicit confidential feedback from our workforce around their engagement and feedback. Last year, we focused specifically on health, safety and environment, and the best way to recognize and reward our colleagues' behaviours that support our mission, goals, and values in maintaining a safe workplace. Our approach to communication and engagement also focuses on creating an inclusive culture, in which everyone feels they can be authentic and express themselves freely without apprehension. This safe environment is key to our success, and we use all our communication channels to be open to our colleagues speaking up about unsafe behaviour. In 2022, we did not receive any allegations or cases of discrimination.

Looking forward into 2023, we will be relocating our head office in Trinidad to create an open office environment to facilitate interaction between employees and improve team cohesion, collaboration, and communication. To ensure the new office space is a destination of choice for our colleagues, we will be conducting questionnaires, team meetings, interviews, and brainstorming sessions to invite ideas about the new office space from inception. We believe that including our staff in this process will create a sense of belonging, foster relationships, and cultivate a more positive workplace culture.

REWARDING OUR COLLEAGUES

To remain an employer of choice, we offer our colleagues in permanent roles a comprehensive remuneration and benefits package, which includes competitive compensation, vacation, benefits, and an annual incentive bonus, which is determined based on individual and corporate performance metrics. The employment package is competitive within our industry and ensures our people have peace of mind and the means to build a secure and healthy future. When it comes to termination and dismissal, we follow local regulations and provide the employee with an agreed severance amount that typically exceeds statutory requirements.

24%
OF STAFF ARE
FEMALE

EMPOWERING PEOPLE'S DEVELOPMENT

Our People Performance in 2022

DEVELOPING OUR TALENT

We invest in our colleagues' development to make sure that they are the best they can be. This enables them to continue to make a valuable contribution to our purpose at Touchstone, and it is also a longer-term investment in the local communities where we live and work.

TRAINING

At the heart of our learning and development approach is the individual, where their career planning is central. It starts with the annual performance review, which 100% of our colleagues complete every year, as well as informal discussions to identify experience, skills or expertise to develop. Through our human resource professionals in Canada and Trinidad, we deliver a range of career development opportunities. These in-house training programs are focused on the experience, skills and expertise most relevant in that location and are delivered both formally (classroom-based) or informally (one-to-one mentoring). Beyond what is provided internally, our colleagues also have access to external support. We reimburse all applicable expenses for participating in short-term development courses, such as seminars and week-long courses. Furthermore, staff are eligible for reimbursement for long-term development programs, such as a graduate program.

In 2022, we registered 631 and 3,097 training hours for Canadian and Trinidadian based employees, respectively. This amounts to an average of 38 working hours of training and development per colleague in 2022, an increase of 97% from 2021. This significant increase is the result of the Company reconvening all training that was suspended during the COVID-19 pandemic.

SUCCESSION

Touchstone knows that succession planning is essential to an organization's progress and employee morale. Our succession planning starts with ensuring that we have a diverse pool of talent for consideration, while providing that pool of talent with training and mentoring to mature their skills. In addition, we encourage cross-functional relationships, providing our employees with an opportunity to relate to challenges faced by others outside of their role and team, giving them a better perspective of the business and becoming effective leaders. In 2022, 10% of our employees were promoted within the Company.

We feel that our focus on learning and development, succession planning, combined with our approach to diversity and remuneration have been the primary reason we have maintained low voluntary turnover over the years, with a voluntary turnover of 3% in 2022.

10%
OF EMPLOYEES
WERE PROMOTED
IN 2022



Empowering Communities for Sustainable Development and Shared Value

"Improving sustainability in the community is a crucial step toward creating a more environmentally friendly and resilient society. At Touchstone, an important aspect is our relationship with the communities where we operate in. We strive to listen and understand their specific concerns to create shared values between us and the community.

At Touchstone, we put the interest of the community first, and we appointed a Community Relations Officer in Trinidad to foster good relations within the communities where we operate, identifying how we could provide support and make a positive socioeconomic impact. Community support initiatives contribute to social development, foster a sense of community cohesion, and create shared value for all stakeholders.

By actively engaging with and supporting communities, individuals and organizations, we can make a positive difference in people's lives and contribute to the sustainable development of society. As we continue to liaise with members in our communities, we actively engage to understand their specific needs, challenges, and aspirations to ensure we have the maximum positive impact. A way to support the Rio Claro community was to invest in education and skills development initiatives that empower individuals and contribute to community growth.

In 2022, tuition was paid for ten children attending Rio Claro Learning and Development Centre for Special Children. Another initiative was the water tank project, which was created with the goal to improve access to clean water. We successfully distributed over seventy water tanks to families in the Rio Claro area. We will continue to consolidate our strengths as a company as we extend our resources to the community - 'small task but with great impact'."

Nelene Bruce
Executive Assistant
Administrative Department

DELIVERING POSITIVE SOCIOECONOMIC IMPACT

Our Community Investment in 2022

At Touchstone we value and appreciate the relationships we have built with our stakeholders and the communities in which we operate. Our achievements must not only create value for shareholders, but also enhance Trinidad and benefit the communities surrounding our operations. An integral part of our culture is to engage with the communities and understand their individual needs allowing us to deliver positive, long-term, socioeconomic outcomes.

Empowering Communities with Access to Clean Water

One of our key values is to enhance the local communities impacted by our operations. Rookmin Singh, a widow with two young children receiving financial support from the government, was a recipient of a 1,000-gallon water tank donated by Touchstone. Similar to many other residents in the area, Mrs. Singh had no pipe-borne water supply and depended solely on rainwater.

When Mrs. Singh was notified that her family was one of the chosen recipients of a 1,000-gallon tank, she was extremely happy with the news. A water tank was something that she and her children needed but were unable to afford. The tank took away the stress and constant worrying about having water supply, and she now has stored water for all her household needs.



LISTENING TO LOCAL COMMUNITIES

Each of the communities we live and work in is unique, and each community requires assistance and support in its own distinctive way, such as education and training opportunities, infrastructure enhancement, and aiding youth development. Through our Community Relations Officer ("CRO"), we identify areas where we can provide support and make a positive socioeconomic contribution. Following guidance from the global oil and association International Petroleum Industry Environmental Conservation Association (IPIECA), we make financial and non-financial contributions to meet community needs through local organizations, creating local employment, paying local taxes and adding economic value through our local supply chain (indirectly supporting additional employment). Through our CRO, we evaluate specific local issues and prioritize initiatives that will have a lasting socioeconomic impact. We also established constructive dialogues with our local communities that ensure we respect their rights.

SUPPORTING LOCAL ORGANIZATIONS

At Touchstone we recognize that we, alone, cannot address key socioeconomic challenges in the local community. At the heart of our community relations policy is a focus on building long-lasting partnerships with organizations to help scale their impact locally. Identified through the CRO, we partnered with 23 organizations within Trinidad in 2022, spending a total of \$86.2M across all of the communities in proximity to our operational sites. Our support in 2022 concentrated on education, improving infrastructure, and helping organizations and residents in need of assistance.

BUILDING THE NEXT GENERATION

Touchstone believes in helping pave the way for the next generation. In 2022, we worked alongside numerous schools and social programs to support youth in and out of the classroom. Touchstone granted four students scholarships, which amounted to the full cost of tuition for the first year of university.

Additionally, as we maintain our long-standing relationship with the Rio Claro Learn and Development Centre for Special Children, we partnered with the school and identified students whose families did not have the financial means to pay for their child's tuition. Touchstone understands the importance of the school to the students, as it provides them with the opportunity to achieve independence as contributing, responsible and equal participants of society, which is why we supported the school by donating funds to cover the cost of tuition for these students.

IMPROVING LONG-TERM LOCAL INFRASTRUCTURE

Each year based on the various needs of local communities, Touchstone supports various infrastructure projects related to community centres, schools, and residential homes. In 2022, as part of our infrastructure development program, Touchstone collaborated with the Rio Claro municipality to identify residents within the region that did not have access to a constant supply of running water. Touchstone provided over seventy homes with 1,000-gallon water tanks, supplying families with access to daily fresh water.

LOOKING FORWARD

In 2022, Touchstone embarked on creating a foundation with a goal of contributing a percentage of our Ortoire revenue to help enhance the impact we have on our community, aimed at improving and bettering the lives of the citizens of Trinidad in the areas where we operate. We expect to have the foundation established in 2023 and operational in 2024.



DELIVERING POSITIVE SOCIOECONOMIC IMPACT

Our Social Responsibility

The hydrocarbons that we produce support Trinidad in many ways, including local electricity, petrochemicals, and varied employment. We endeavour to foster strong and reliable professional relationships by contracting, as far as practical, local businesses to provide supplies and services. This focus on local content is intended to generate economic opportunities for local businesses and the workers they employ.

PROMOTING LOCAL ECONOMIC GROWTH AND BUSINESS PARTNERSHIPS

Trinidad enjoys a resource-based economy which has resulted in an impressive pool of talent and expertise available for use within the local energy sector. We understand our role in creating opportunities for business and employment in the geographic locale of our operations and in increasing the benefit that new development brings to these areas. As far as practical, we actively seek out and engage local businesses across our supply chain. As an organization, this focus on retaining local businesses demonstrates our commitment to strengthening the capacity of these businesses through the purchasing of supplies and services required for our operations.

In 2022, the Company had service contracts with 280 providers that were locally operated in Trinidad, incurring approximately \$15.2MM in Trinidad on local procurement.

With the experience gained through working with Touchstone, these local businesses enjoy the promotion and growth of their capabilities and skill sets. As well, business with local contractors positively impact the local economy, creating new sources of employment and opportunities for local citizens to earn living wages. These new sources of employment require both skilled and unskilled labour localized to our operations, having a positive impact on the quality of life of the residents in the communities near our operations and contributing to their overall success. Touchstone makes a positive impact on the local economy and serves as a catalyst for community development by contracting with local businesses.

Touchstone's prequalification process is the mechanism we use to get further insight into local businesses. In addition to financial due diligence, we assess their health and safety performance, business ethics policies and operating practices. We have dedicated in-house employees who administer this process and monitor the systems which have been implemented to ensure that local service providers meet our standards.

This process serves two purposes. Firstly, it seeks to ensure alignment with Touchstone and the suppliers' responsible business practices. Secondly, it establishes the minimum standard to which local companies must build their capability before being engaged for work. We are of the firm view that this process results in engagement with local businesses, aligning our values and emphasizing our commitment to generating long-term economic benefits.

Our dedication to retaining local businesses effectively manages the cost of our operations and communicates a clear message to our community stakeholders that we are committed to the enhancement of their economic and social well-being.

**\$15.2MM IN LOCAL
PROCUREMENT IN
2022**



Building Community Bridges at Darryl's Homestyle BBQ and Bar

"Our business has been providing catering services to Touchstone for about a decade. Our relationship with Touchstone has given our business the opportunity to grow and expand, providing meals to their staff and associates on many occasions. Their various food requests have challenged us to diversify our menu.

I have seen the positive impact that Touchstone's presence has in our community, Fyzabad. They have provided jobs to many members and have been instrumental in helping the students in need among the schools in the area. At the same time, we also commend their efforts in ensuring that they do not create any hazards to the environment.

We appreciate that the wonderful staff at Touchstone has always treated us with respect and has supported our business by using our services in their day-to-day operations, sports day and training, ensuring that managers, employees and other business associates have healthy and wholesome meals provided by us. I think the joy on their faces and expressions of gratitude are the most memorable part as they bring us joy."

Darryl Coolman
Darryl's Homestyle BBQ and Bar



OUR CORPORATE GOVERNANCE

Protecting Value in Our Company

2022 SUMMARY



**TWO REPORTED CASES OF
BREACHES OF OUR CODE OF
CONDUCT AND ETHICS**



**33% OF DIRECTORS WERE
FEMALE**



**100 % RE- CERTIFICATION OF
COLLEAGUES ON OUR CODE
OF CONDUCT AND ETHICS**



**8 OF 9 DIRECTORS WERE
INDEPENDENT**

“Our ESG reporting helps us attract and retain top talent by showcasing our commitment to environmental and social responsibility. It also fosters employee engagement, as staff members feel proud to work for an organization that prioritizes sustainability.”

**Beverley Smith,
Director
Chair, HSSE Committee
Member, Reserves Committee**

IMPORTANCE OF CORPORATE GOVERNANCE

Touchstone is committed to upholding the highest principles of corporate governance and risk management through our adherence to regulatory standards and practices with ESG oversight. Effective governance and leadership are foundational in realizing our corporate goals of creating long-term value for shareholders while having a positive impact on environmental and social factors.

OUR GOVERNANCE GUIDING PRINCIPLES

- Provide enhanced accountable reporting and transparent disclosure
- Uphold a strong focus on ESG objectives, strategies and practices
- Ensure our operations are aligned with the interests of our stakeholders, creating value over the long term

OUR 2022 GOVERNANCE HIGHLIGHTS

- 8 of 9 directors were independent
- 33% of directors were female
- 98% board meeting attendance

OUR 2022 GOVERNANCE-RELATED GOALS ACCOMPLISHMENT

We surpassed our target of 30% female representation on the Board with 3 of 9 directors or 33% being female.

BOARD OF DIRECTORS OVERSIGHT OF ESG

The Board of Directors is responsible for the stewardship of Touchstone on behalf of its shareholders to ensure the long-term success of the Company. The Board is the Company's highest

governing body, in conjunction with Management, with the accountability of overseeing our business activities and ensuring our governance structure, tools and procedures meet our strategic business objectives, with a clear focus on ESG and risk management. The Board and its HSSE Committee maintains a high level of understanding of current and emerging ESG-related matters, particularly within the energy sector, and proactively evaluates industry best practices and current technology to implement and deliver on our ESG goals and targets.

Further detail regarding our Board governance structure can be found in our 2023 [Management Information Circular](#) available on our corporate website and under our profile on [SEDAR](#).

MANAGEMENT LEADERSHIP

Our Management through effective leadership is responsible for establishing and executing Touchstone's business strategies that are aligned with our ESG initiatives and the interests of our stakeholders. Management also determines the risk factors and ensures reasonable measures are implemented to mitigate them as well as identifies any opportunities to deliver continuous progress in our ESG performance. Management reports to the HSSE Committee quarterly to discuss our ESG strategies and related matters.

Director	Positions	Independent
John D. Wright	Chair of the Board Member, Compensation and Governance Committee Member, Reserves Committee	✓
Paul R. Baay	President and Chief Executive Officer	✗
Jenny Alfandary	Member, Audit Committee Member, HSSE Committee	✓
Dr. Priya Marajh	Member, Compensation and Governance Committee Member, HSSE Committee	✓
Kenneth R. McKinnon	Chair, Compensation and Governance Committee Member, Audit Committee	✓
Peter Nicol	Chair, Reserves Committee Member, Audit Committee	✓
Beverley Smith	Chair, HSSE Committee Member, Reserves Committee	✓
Stanley T. Smith	Chair, Audit Committee Member, Reserves Committee	✓
Dr. Harrie Vredenburg	Member, Compensation and Governance Committee Member, HSSE Committee	✓

98%
BOARD
MEETING
ATTENDANCE



Operational Excellence and Sustainable Commitment

“Our 2022 operational and performance highlights spoke for themselves this year as responsible operations remained a top priority throughout the year. Touchstone once again had no lost time injuries and in 2022. We commissioned and delivered natural gas from the Coho facility, representing the first onshore natural gas field to come onstream in Trinidad in over twenty years. We also received all of our required regulatory approvals to commence construction of the Casacdura natural gas and liquids facility.

In 2022 there was growing pressure on companies to increase their reporting on sustainability as well as increased number of regulations. This pressure comes from various stakeholders, including investors, customers, regulators, general public, and particularly employees who want to know what the company is doing with regards to sustainability. Our ESG reporting helps us attract and retain top talent by showcasing our commitment to environmental and social responsibility. It also fosters employee engagement, as staff members feel proud to work for an organization that prioritizes sustainability. It matters to our employees. Even though Touchstone is a small company, it does make a difference.”

Beverley Smith
Director
Chair, HSSE Committee
Member, Reserves Committee



Building a Sustainable Future through Leadership

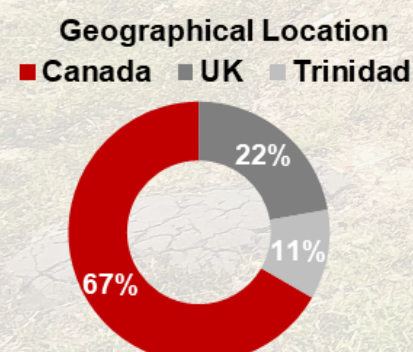
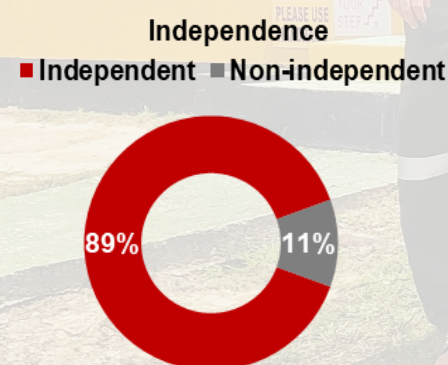
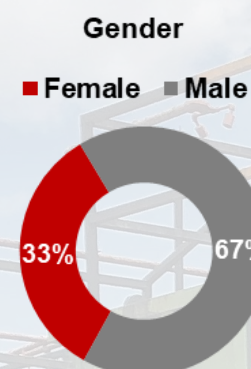
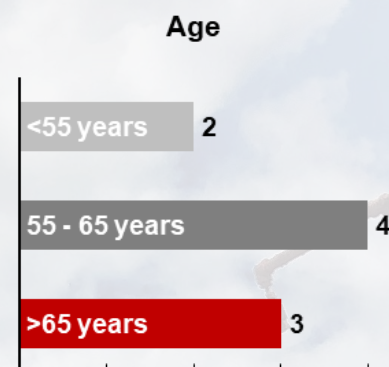
“At Touchstone, leadership continues to build on the strong foundation we have created by promoting sustainable practices and addressing environmental, social, and economic challenges which involve inspiring, guiding, and driving action towards a sustainable future. We have a combination of vision, strategic thinking, collaboration, and a commitment to ongoing improvement. Evolving in the energy sector, the company is thriving and leading in best practices.

We have a strong base and have placed high emphasis on HSSE within our ESG framework.

It is crucial for our organization to ensure the health and safety of our workers, protect the environment, comply with regulations, build trust with stakeholders, improve operational efficiency and align broader sustainability goals to contribute to long-term value creation.

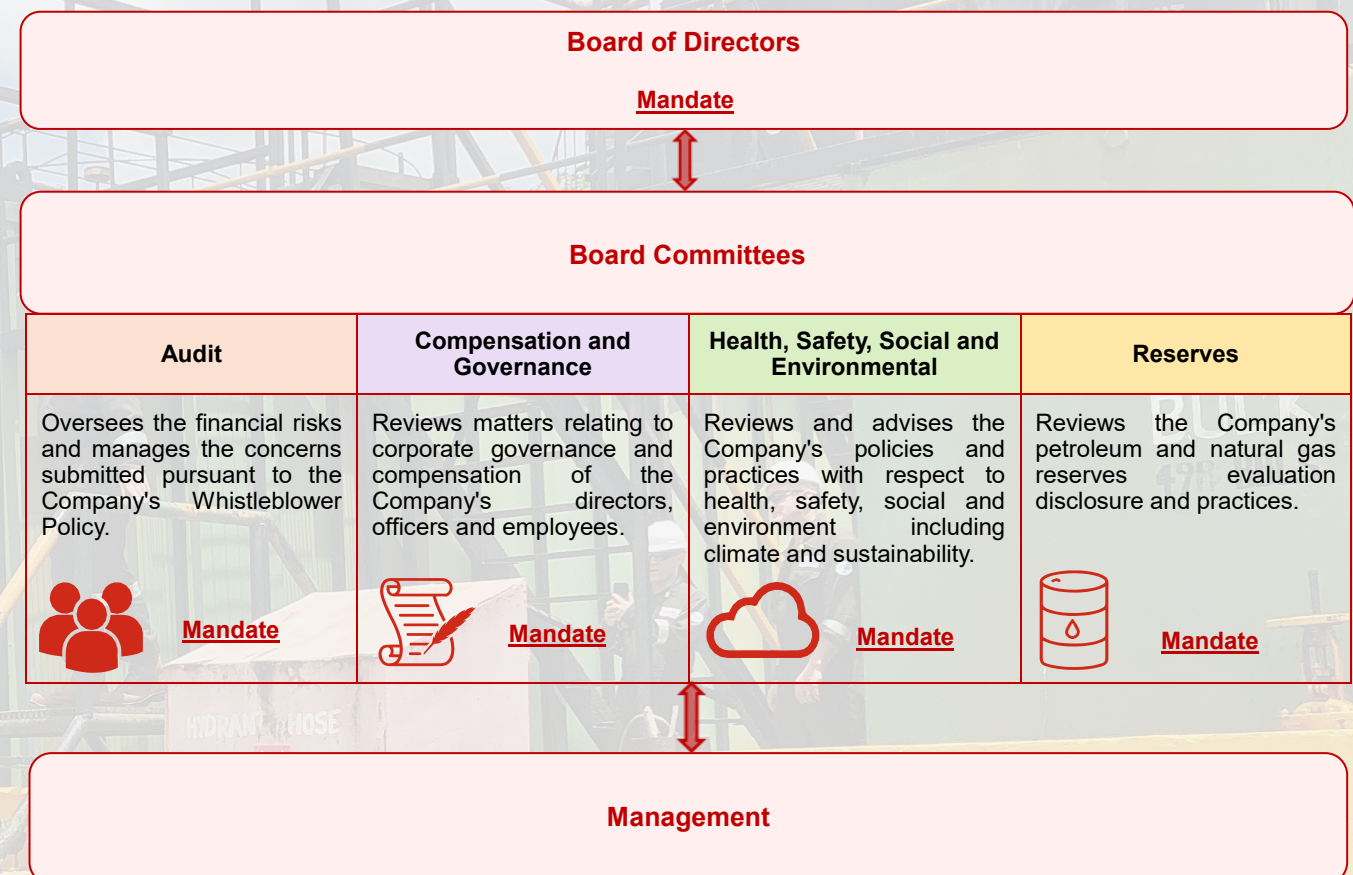
In 2023 we will continue to strive to be leaders as an oil and gas exploration and production company in Trinidad. I am excited to be a part of the journey as we continue to build and grow our sustainability best practices within this industry.”

Jenny Alfandary, M.Sc., ICD.D
Director
Member, Audit Committee
Member, HSSE Committee



OUR GOVERNANCE STRUCTURE

To ensure we maximize shareholder value at Touchstone, robust corporate governance as well as high standards of ethical behaviour are essential. Setting the tone from the top, our Board is key in our focus on managing risks and ensuring



BOARD DIVERSITY

The Board is responsible for the stewardship of Touchstone on behalf of its stakeholders to ensure the long-term success of the Company. An inclusive and diverse Board improves the quality and decision-making process, maximizing its effectiveness in corporate governance and providing ESG excellence.

ESG-RELATED POLICIES

Touchstone's ESG-related policies provide a strong framework that defines our corporate practices, standards and core commitments, guiding our actions in ensuring the Company's long-term success through responsible energy development and production while creating a diverse and inclusive environment with a focus on continuous improvement and transparency.

CODE OF CONDUCT AND ETHICS

Our code of conduct and ethics is based upon the laws and regulations of the Republic of Trinidad and Tobago, Canada and the United Kingdom and summarizes our core values in conducting business in an ethical and safe manner. It addresses, among others, the following:

- conflicts of interest;
- confidentiality;
- fair dealing;
- compliance with laws, rules and regulations;
- health, safety and environmental compliance;
- discrimination, harassment and human rights;
- accuracy of corporate records and disclosures;
- bribery and corruption; and
- reporting of any illegal or unethical behaviour.

Further information regarding our [code of conduct and ethics](#) is available on our corporate website.

Trinidad and Tobago is mid-ranked on the 2022 Transparency International's Corruption Perceptions Index, placing at 77 out of 180 countries and was not among the 20 lowest ranking countries, thereby not representing a significant risk to our operations and reserves. With our code of conduct and ethics, we have a specific focus within our compliance approach on preventing corruption, bribery, anti-competitive behaviour, breaches of human rights and modern slavery risks in all new business development. In 2022, 100% of our colleagues undertook a re-certification in this area. As a result, there were no cases of corruption, bribery, anti-competitive

In 2022



Zero

cases and penalties related to unfair competition and anti-corruption practices

Two

cases of violation of our code of conduct and ethics policies

POLITICAL CONTRIBUTIONS



Touchstone has a policy in place against making contributions on behalf of the Company to political parties and/or their representatives.

REGULATORY COMPLIANCE

We consistently and rigorously work to ensure compliance with current regulations and international treaties and agreements in the jurisdictions where we operate. Through our participation in energy organizations, we regularly monitor legislative initiatives related to the hydrocarbon industry, identifying risks and opportunities. More information regarding regulatory regime and compliance can be found in our [2022 annual information form](#) available on our corporate website and under our profile on [SEDAR](#).



In 2022, there were no penalties or sanctions imposed against the Company

DISCLOSURE CONFIDENTIALITY AND TRADING POLICY

The Board has adopted an extensive disclosure, confidentiality and trading policy to which all directors, Management and employees are subject to. This policy reflects the importance of ethical conduct and confidentiality in respect of Touchstone's activities and restricts trading in the securities of Touchstone at times when individuals may be in possession of material non-public information.

In 2022, there was one reported case of violation of our disclosure, confidentiality and trading policy, which was resolved pursuant to the Settlement Agreement with the Alberta Securities Commission in May 2023.

WHISTLEBLOWER POLICY

As part of our efforts to ensure the integrity of Touchstone and our financial, health and safety, and other information, we encourage our employees and consultants who have concerns regarding any possible violations of our business standards and code of conduct and ethics, our disclosure policy or financial reporting to raise them with the appropriate people as per our Whistleblower Policy, without the fear of victimization, discrimination or disadvantage. In addition, annually our external auditors will conduct tests to confirm that our Whistleblower Policy is operative. More information about our [Whistleblower Policy](#) is available on our corporate website.



In 2022, there were no reported cases of grievance through our whistleblower program.

TRANSPARENCY DISCLOSURE

We have a commitment to transparency and have publicly disclosed payments to governments.

ESTMA

The Extractive Sector Transparency Measures Act ("ESTMA") was enacted by the Government of Canada to deliver on Canada's global efforts to increase transparency and deter corruption in the extractive sector. ESTMA requires Canadian extractive entities to publicly disclose, on an annual basis, specific payments made to all governments in Canada and abroad.

Our annual [ESTMA](#) filings are available on our corporate website.

TTEITI

We are proud to participate in the Trinidad and Tobago Extractive Industries Transparency Initiative ("TTEITI") as our commitment for promoting anti-corruption and exercising ethical conduct. The TTEITI encompasses a voluntary coalition of stakeholders (governments, extractive companies and civil society) working together to improve disclosure and accountable management of the revenues earned from the extractive sector. Its practices are recognized as the global gold standard for transparency and accountability in the management of extractive industries. The Extractive Industries Transparency Initiative is headquartered in Oslo, Norway, and the initiative is currently being implemented in over 50 countries worldwide.

Since 2013, TTEITI has annually published key developments in Trinidad and Tobago's energy sectors with its latest publication State of the Extractive Sectors Report 2022, covering the period from October 1, 2018 to September 30, 2022, describing how both domestic and international developments have impacted government revenues and the resources available to citizens.

As of December 31, 2022, Touchstone has historically paid the following amounts of Trinidad based royalties and income taxes:

\$123,428,000		\$54,138,000
in cumulative royalties paid		in cumulative income taxes paid

Additional information on the Company's income taxes and royalty payments can be found in our [2022 annual information form](#) available on our corporate website and under our profile on [SEDAR](#).



In 2022

C\$19,333,000
in royalty payments to the government of Trinidad
C\$5,143,000
in income tax payments
C\$2,047,000
in other fees paid to the government of Trinidad



Empowering Communities and Driving Sustainable Growth through Local Engagement at Touchstone

“As a southerner, I've grown up witnessing petroleum operations in Trinidad's southern parts. Joining the Touchstone team has deepened my understanding of the energy sector and its crucial role in community and country development. We are actively involved in Trinidad's energy sector, ensuring sustained growth for our country.

In my role as Lands and Legal Officer, I oversee local procurement and onboarding processes, working closely with contractors to ensure their legal legitimacy and capacity to provide services, thereby strengthening the local business community. Additionally, through lease management, we empower emerging local operators in the energy sector. As a responsible operator, we collaborate with government authorities to ensure proper vegetation removal and contribute to reforestation efforts. Our effective business processes have a positive socio-economic impact and foster enduring relationships with government ministries. We remain committed to enhancing management systems and investing in local sustainability as we thrive in the energy sector.”

Shevina Neptune
Lands and Legal Officer

LINKING COMPENSATION TO ESG PERFORMANCE

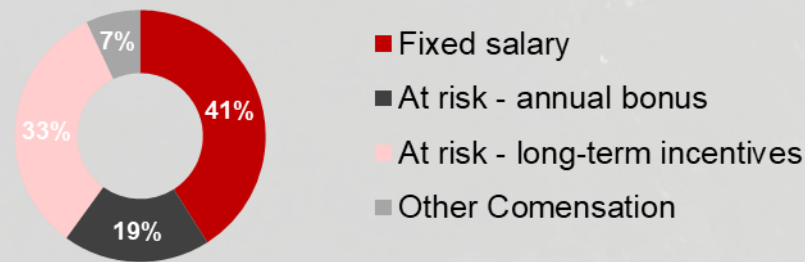
Touchstone's executive compensation program is designed to attract, retain, motivate and reward leaders to deliver strong performance that is aligned with our business objectives, long-term strategy and our shareholder's interests.

Our executive officer compensation plan provides a balanced set of components designed to deliver the objectives of our compensation philosophy. Our executive officer compensation plan is structured into three key components: base salary, annual incentive bonus and long-term incentives. The variable components, which include annual incentive bonus and long-term incentives, are designed to balance short-term performance with our long-term interests and motivate the superior performance of both. Long-term incentives currently includes options to purchase common shares granted pursuant to our stock option plan. The Board believes these long-term variable components align our executive officers with shareholders and help retain executive officer talent.

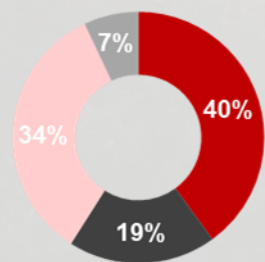
Performance objectives are tied to the execution of our strategy and are measured through annual corporate performance indicators, which includes several specific ESG metrics related to safety, environmental and sustainability. Linking executive pay directly with defined corporate and individual objectives, motivates strong performance and reinforces our business strategy, organizational culture, and overarching priorities of the Company. This disciplined approach underscores our commitment to good governance and alignment with shareholders interests.

The following graphs reflect the total 2022 compensation mix for our three senior executive officers and our CEO.

Executive Officers



CEO



For an overview of our 2022 corporate performance:
[2023 Management Information Circular](#)

OUR CORPORATE GOVERNANCE PERFORMANCE

The following table summarizes our corporate governance performance for the years specified.

	2022	2021	2020
Board independence (%)	88.9	87.5	87.5
Independent Board Chair	Yes	Yes	Yes
Annual shareholder meeting attendance (%)	23.5	26.3	25.6
Annual board evaluation	Yes	Yes	Yes
Majority voting policy	Yes	Yes	Yes
Average age of directors (years)	60.1	62.4	61.8
Average director tenure (years)	5.9	6.4	5.4
Female directors (%)	33.3	12.5	12.5
Board diversity target	Exceeded 2022 target	30% female by 2022	End of 2021
Equity ownership policy for directors and officers	Yes	Yes	End of 2021
Anti-hedging policy	Yes	Yes	Yes
Clawback policy for officers	Yes	Yes	End of 2021
Say-on-pay	No	No	No
Executive compensation plan aligned with ESG metrics	Yes	Yes	Yes

PERFORMANCE

OUR ESG PERFORMANCE SUMMARY

Our Core Sustainability Data

This ESG report provides data on our performance on a range of ESG issues alongside narrative statements to give context to our performance. In the following performance table, we bring together all those key performance indicators so that stakeholders can assess our historic performance at a glance. We are aware that there are ESG metrics that stakeholders may like to see included here in the future and it is our intention to expand this table when applicable.

Category	KPI	2022	2021	2020
Financial and operational	Petroleum and natural gas sales (\$MM)	\$42.9	\$29.6	\$19.6
	Net (loss) earnings (\$MM)	(\$3.2)	\$5.7	(\$11.0)
	Average crude oil production (bbls/d)	1,340	1,342	1,392
	Average natural gas production (MMcf/d)	1,444	-	-
Climate and environment	Scope 1 emissions (tonnes CO ₂ e)	151,801	163,249	162,219
	Scope 2 emissions (tonnes CO ₂ e)	439	388	374
	Scope 1 and 2 emissions (tonnes CO ₂ e)	152,240	163,637	162,593
	Scope 1 + 2 emission intensity (tonnes CO ₂ e/boe)	0.24	0.30	0.28
	Water withdrawal (m ³)	-	2,982	933
	Water production (m ³)	41,464	41,967	44,051
	Environmental penalties	-	-	-
	Environmental incidents	1	-	-
Health and safety	Total recordable incidents	-	-	-
	Fatalities	-	-	-
	Near miss incidents	1	2	-
	HSE training hours	2,974	1,087	1,361
	Lost time injuries	-	-	3
People	FTE employees	98	95	92
	Male employees	74	71	68
	Female employees	24	24	24
	Average tenure (years)	7.9	7.8	7.3
	Employee training hours	3,728	1,889	2,352
Community	Number of community organizations supported	24	17	17
	Estimated procurement spend in Trinidad (\$MM)	\$15.2	\$26.1	\$18.7
	Suppliers used in Trinidad	280	179	193
Governance	Breaches of code of conduct and ethics	2	Nil	Nil
	Board independence (%)	88.9	87.5	87.5
	Female directors (%)	33.3	12.5	12.5

GLOBAL REPORTING INITIATIVE CONTENT INDEX

The GRI is an independent standards-setting organization that supports reporting standards for companies to identify, manage and communicate sustainability information to their stakeholders. This 2022 GRI Content Index is our third disclosure pursuant to the GRI Standards. Our disclosures on these topics will evolve and mature with time.

GRI guidelines consist of universal standards, issue-specific standards and sector-specific standards. This document includes the universal standards (2016) and the recently published sector-specific standard for oil and gas companies (2021). For the sector-specific standard, we are not able to respond to each metric, and where we have not, we have explained why. For more information on GRI, visit www.globalreporting.org.

All data covers the period of January 1 to December 31, 2022 and is as of December 31, 2022 unless otherwise noted.

GRI Standards Number	Description	2022 Response
General disclosures (2016)		
Organizational profile		
102-1	Name of the organization	Page 3
102-2	Activities, brands, products, and services	Page 3
102-3	Location of headquarters	Page 3
102-4	Location of operations	Page 3
102-5	Ownership and legal form	Page 3
102-6	Markets served	Page 3
102-7	Scale of the organization	Page 3
102-8	Employees by employment contract, by gender	Not applicable. This data is not collected in a manner correlative to the GRI requirements.
102-9	Supply chain	Page 23
102-10	Significant changes to the organization and the supply chain	There were no significant changes to the Company and its supply chain.
102-11	Precautionary Principle or approach	Page 12
102-12	External initiatives	Page 5
102-13	Membership of association	Page 5
Strategy		
102-14	Statement from senior decision-maker	Page 4
Ethics and integrity		
102-16	Values, principles, standards and norms of behaviour	Page 19 Pages 27
Governance		
102-18	Governance structure	Page 8 Page 26

GRI Standards Number	Description	2022 Response
General disclosures (2016)		
Stakeholder engagement		
102-40	A list of stakeholder groups engaged by the organization	Page 7
102-41	Collective bargaining agreements	Not applicable. This data is not collected in a manner correlative to the GRI requirements.
102-42	Identifying and selecting stakeholders	Page 7
102-43	Approach to stakeholder engagement	Page 7
102-44	Key topics and concerns raised	Page 7
Reporting practice		
102-45	Entities included in the consolidated financial statements A list of all entities included in the organization's consolidated financial statements or equivalent documents	Page 2
102-46	Defining report content and topic boundaries	Page 2
102-47	List of material topics	Page 5
102-48	Restatements of information	Page 2
102-49	Changes in reporting	Page 2
102-50	Reporting period	Page 2
102-51	Date of most recent report	Page 2
102-52	Reporting cycle	Page 2
102-53	Contact point for questions regarding the report	Backpage
102-54	Claims of reporting in accordance with the GRI Standards	Page 2
102-55	GRI content index	Page 31
102-56	External assurance	Page 2
Management approach (2016)		
103-1	Explanation of the material topic and its boundaries	Page 2
103-2	The management approach and its components	Page 2 Page 5 Page 25
103-3	Evaluation of the management approach	Page 5
Indirect economic impacts (2016)		
203-20	Significant indirect economic impacts	Page 22

GLOBAL REPORTING INITIATIVE CONTENT INDEX (Continued)

GRI Standards Number	Description	2022 Response
General disclosures (2016)		
Procurement practices (2016)		
204-1	Proportion of spending on local suppliers	Page 23
Tax (2016)		
207-4	Country-by-country reporting	Page 28
Water and effluents (2018)		
303-3	Water withdrawal	Page 14
Biodiversity (2016)		
304-1	High biodiversity value	Page 15
Emissions (2016)		
305-1	Gross direct (Scope 1) emissions	Page 13
	Gases included in direct (Scope 1) emissions	Page 2 Page 13
	Base year – Scope 1	Page 13
305-2	Gross location-based energy indirect (Scope 2) GHG emissions	Page 13
	Gases included in indirect (Scope 2) emissions	Page 2 Page 13
	Base year – Scope 2	Page 13
305-3	Gross other indirect (Scope 3) emissions	Page 13
	Gases included in other indirect (Scope 3) emissions	Page 2 Page 13
	Other indirect (Scope 3) GHG emissions categories and activities	Page 13
	Base year – Scope 3	Page 13
305-4	GHG Emissions Intensity	Page 13
	Organization-specific metrics - emissions	Page 30
	Types of GHG emissions included in the intensity ratio	Page 13
	Gases included in GHG emissions intensity	Page 2 Page 13
Labour & management relations (2016)		
402-1	Minimum notice periods regarding operational changes provided to employees	Page 20 The Company immediately discloses applicable agreements subsequent to execution.
Occupational health & safety (2018)		
403-1	Occupational health and safety management system	Pages 17-18

GRI Standards Number	Description	2022 Response
General disclosures (2016)		
Training & education (2016)		
404-1	Average hours of training per year per employee	Page 21
Diversity & equal opportunities (2016)		
405-1	Governance bodies	Page 25
	Employee category	Pages 19-20
410-1	Security Personnel - Human rights training	Page 27
Local communities (2016)		
413-1	Percentage of operations with implemented local community engagement	Page 22
Supplier social assessment (2016)		
414-1	Percentage of new suppliers that were screened using social criteria	Page 23

SUSTAINABILITY ACCOUNTING STANDARDS

BOARD INDEX

SASB is a standards-setting organization that supports reporting standards for companies to identify, manage and communicate sustainability information to their stakeholders. Effective August 1, 2022, the Value Reporting Foundation, home to the SASB Standards, consolidated into the International Financial Reporting Standards ("IFRS") Foundation, which established the first International Sustainability Standards Board ("ISSB"). SASB Standards are now under the oversight of the ISSB. The ISSB will build upon the SASB Standards and embed SASB's industry-based standards development approach into the ISSB's standards development process. The ISSB encourages preparers to continue to use the SASB Standards until the SASB Standards become the IFRS Sustainability Disclosure Standard. For more information on SASB, visit www.sasb.org.

This 2022 SASB Index is our third disclosure pursuant to the SASB Standards, and as such, our disclosures on these topics will evolve and mature with time. We have included the reporting status for each metric, so it is easy to identify how fully we are able to disclose the relevant information required for each indicator.

SASB guidelines differ depending on the industry. This report references SASB's reporting framework for the oil and gas - exploration and production industry. The data covers the period of January 1 to December 31, 2022 and is as of December 31, 2022 unless otherwise noted and includes all of Touchstone's wholly owned entities.

Where noted, in accordance with SASB Standards Application Guidance section 2.2, certain information is not included in this index, to the extent the information is not considered material; is privileged or

SASB Code	Activity Metric	2022 Response
EM-EP-000.A	Production of: (1) oil, (2) natural gas, (3) synthetic oil and (4) synthetic gas	Page 3
EM-EP-000.B	Number of offshore sites	Page 3
EM-EP-000.C	Number of terrestrial sites	Page 3
EM-EP- 110a.1	Gross global Scope 1 emissions, percentage methane, percentage covered under emissions-limiting regulations	Page 13
EM-EP- 110a.2	Amount of gross global Scope 1 emissions from: (1) flared hydrocarbons, (2) other combustion, (3) process emissions, (4) other vented emissions, and (5) fugitive emissions	Page 13
EM-EP- 110a.3	Discussion of long-term and short-term strategy or plan to manage Scope 1 emissions, emissions reduction targets and an analysis of performance against those targets	Page 13
EM-EP- 120a.1	Air emissions of the following pollutants: (1) NO _x (excluding NO ₂), (2) SO _x , (3) volatile organic compounds (VOCs), and (4) particulate matter (PM ₁₀)	Page 2
EM-EP- 140a.1	(1) Total fresh water withdrawn, (2) total fresh water consumed and percentage of each in regions with High or Extremely High Baseline Water Stress	Page 14
EM-EP- 140a.2	Volume of produced water and flowback generated; percentage (1) discharged, (2) injected, (3) recycled; hydrocarbon content in discharged water	Page 14
EM-EP- 140a.3	Percentage of hydraulically fractured wells for which there is public disclosure of all fracturing fluid chemicals used	Page 14
EM-EP- 140a.4	Percentage of hydraulic fracturing sites where ground or surface water quality deteriorated compared to a baseline	Page 14

SASB Code	Activity Metric	2022 Response
EM-EP- 160a.1	Description of environmental management policies and practices for active sites	Page 13
EM-EP- 160a.2	Number and aggregate volume of hydrocarbon spills, volume in Artic, volume impacting shorelines with ESI ranking 8-10, and volume recovered	Page 15
EM-EP- 160a.3	Percentage of (1) proved and (2) probable reserves in or near sites with protected conservation status or endangered species habitat	Page 15
EM-EP- 210a.1	Percentage of (1) proven and (2) probable reserves in or near areas of conflict	Page 15
EM-EP- 210a.2	Percentage of (1) proven and (2) probable reserves in or near indigenous land	Page 15
EM-EP- 210a.3	Discussion of engagement processes and due diligence practices with respect to human rights, indigenous rights and operation in areas of conflict	Page 15
EM-EP- 210b.1	Discussion of process to manage risks and opportunities associated with community rights and interests	Page 22
EM-EP- 201b.2	Number and duration of non-technical delays	Page 17
EM-EP- 320a.1	(1) Total recordable incident rate (TRIR), (2) fatality rate, (3) near miss frequency rate (NMFR), and (4) average hours of health, safety and emergency response training for (a) full time employees, (b) contract employees, and (c) short-service employees	Page 18
EM-EP- 320a.2	Discussion of management system used to integrate a culture of safety throughout the exploration and production lifecycle	Page 17
EM-EP- 420a.1	Sensitivity of hydrocarbon reserve labels to future price project scenarios that account for a price on carbon emissions	Not applicable. This data is not collected in a manner correlative to the SASB requirements.
EM-EP- 420a.2	Estimated carbon dioxide emissions embedded in proven hydrocarbon reserves	Not applicable. This data is not collected in a manner correlative to the SASB requirements.
EM-EP- 420a.3	Amount of investment in renewable energy investment and revenue generated by renewable energy sales	Nil Nil
EM-EP- 420a.4	Discussion of how price and demand for hydrocarbons and/or climate regulation influence the capital expenditure strategy for exploration, acquisition and development of assets	Not applicable. This data is not collected in a manner correlative to the SASB requirements.
EM-EP- 510a.1	Percentage of (1) proved and (2) probable reserves in countries that have the 20 lowest rankings in Transparency International's Corruption Perception Index	Page 3 Page 27
EM-EP- 510a.2	Description of the management system for prevention of corruption and bribery throughout the value chain	Page 27
EM-EP- 530a.1	Discussion of corporate positions related to government regulations and/or policy proposals that address environmental and social factors affecting the industry	Page 27
EM-EP- 540a.1	Process Safety Event (PSE) rates for Loss of Primary Containment (LOPC) of greater consequence (Tier 1)	Not applicable. This data is not collected in a manner correlative to the SASB requirements.
EM-EP- 540a.2	Description of management system used to identify and mitigate catastrophic and tail-end risks	Page 17

TASKFORCE FOR CLIMATE-RELATED FINANCIAL DISCLOSURES INDEX

The TCFD was created by the Financial Stability Board to develop recommendations on the types of information that companies should disclose to support investors, lenders and insurance underwriters in appropriately assessing and pricing climate change-related risks. This report references the recommendations published in 2017.

Accordingly, in preparing our TCFD index, and in order to ensure that we are following best practice, our work has been informed by the October 2021 guidance on climate reporting provided by the LSE as well as by observations from the TCFD itself as set out in its 2022 Status Report. For more information on TCFD, visit www.fsb-tcf.org.

As an TSX and AIM listed company, we are not currently required to report against the TCFD framework. However, we recognize that climate change is a significant risk to our business and that regulatory policies are evolving.

All data covers the period of January 1 to December 31, 2022 and is as of December 31, 2022 unless otherwise noted.

Governance	2022 Response
Describe the Board's oversight of climate-related risks and opportunities	Pages 11-12 Page 25
Describe the management's role in assessing and managing climate-related risks and opportunities	Pages 11-12 Page 25
Strategy	2022 Response
Describe the climate-related risks and opportunities the organization has identified over the short, medium and long term	Page 12
Describe the impact of climate-related risks and opportunities on the organization's business, strategy and financial planning	Page 12
Describe the resilience of the organization's strategy, taking into consideration different climate-related scenarios including a 2C or lower scenario	Not applicable. This data is not being collected in a manner correlative to the TCFD requirements.
Risk management	2022 Response
Describe the organization's processes for identifying and assessing climate-related risks	Page 11 Page 25
Describe the organization's processes for managing climate-related risks	Page 12 Page 25
Describe how processes for identifying, assessing and managing climate-related risks are integrated into the organization's overall risk management	Page 12 Page 25
Metrics and targets	2022 Response
Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management approach	Page 12
Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions and the related risks	Page 13
Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets	Page 4 Page 10 Page 13

ABBREVIATIONS

The following is a list of abbreviations that may be used in this ESG report:

Oil and gas measurement

bbl(s)	barrel(s)
bbls/d	barrels per day
Mbbls	thousand barrels
Mcf	thousand cubic feet
Mcf/d	thousand cubic feet per day
MMcf	million cubic feet
MMcf/d	million cubic feet per day
MMBtu	million British Thermal Units
boe	barrels of oil equivalent
boe/d	barrels of oil equivalent
Mboe	thousand barrels of oil equivalent

Other

CO ₂	Carbon dioxide
CO ₂ e	Carbon dioxide equivalent
CH ₄	Methane
KWh	Kilowatt per hour
m ³	Cubic metre
AIM	AIM market of the London Stock Exchange plc
Board	Board of Directors
Brent	Dated Brent
C\$	Canadian dollar
ESG	Environmental, social, and governance
GHG	Greenhouse gas
HSSE	Health, safety, social, and environmental
Trinidad	The Republic of Trinidad and Tobago
TSX	Toronto Stock Exchange
TT\$	Trinidad and Tobago dollar
\$MM	Million dollars
\$M	Thousand dollars
\$ or US\$	United States dollar

ADVISORIES

Touchstone has taken care to ensure the information in this document is accurate. However, the data presented includes targeted goals, approximations and estimates, which will differ from actual results, and is for informational purposes only. The Company disclaims any liability whatsoever for errors or omissions. Further, some information in this document may have been disclosed previously in Touchstone's other public disclosure, and such disclosure is not intended in any way to be qualified, amended, modified or supplemented by information herein. The intent of this document is to increase the readers' knowledge of Touchstone and its operations and ESG goals. However, it does not provide investment advice, and readers are responsible for making their own financial and investment decisions.

"Material" may be used within this report to describe issues for voluntary ESG reporting that are considered to have the potential to significantly affect ESG performance in our view and may be important in the eyes of internal or external stakeholders. However, material for the purposes of this document should not be read as equating to any use of the word in other Touchstone public reporting or filings.

There is no single standard system that applies across companies for compiling and calculating the quantity of GHG emissions and other sustainability metrics attributable to Touchstone's operations. Accordingly, such information may not be comparable with similar information reported by other companies. The Company's GHG emissions are derived from various internal reporting systems that are generally different from those applicable to the financial information presented in its consolidated financial statements and are, in particular, subject to less sophisticated internal documentation as well as preparation and review requirements, including the general internal control environment. Touchstone may change its policies for calculating these GHG emissions in the future without prior notice.

Forward-Looking Statements

Certain information provided in this ESG report may constitute forward-looking statements and information (collectively, "forward-looking statements") within the meaning of applicable securities laws. All statements and information, other than statements of historical fact, made by Touchstone that address activities, events, or developments that the Company expects or anticipates will or may occur in the future are forward-looking statements. Such forward-looking statements include, without limitation, forecasts, estimates, expectations, ambitions, target, plans and objectives for future operations and initiatives that are subject to assumptions, risks and uncertainties, many of which are beyond the control of the Company.

Forward-looking statements are statements that are not historical facts and are generally, but not always, identified by the words "targets", "expects", "plans", "anticipates", "continues", "believes", "intends", "estimates", "projects", "potential", "objective", "ongoing", and similar expressions, or are events or conditions that "will", "would", "may", "could" or "should" occur or be achieved. Forward-looking statements and information involve significant risks, assumptions, uncertainties and other factors, which are outside of Touchstone's control, that may cause actual future results or anticipated events to differ materially from those expressed or implied in any forward-looking statements or information presented in this document and, accordingly, should not be read as guarantees of future performance or results.

Such statements represent the Company's internal projections, estimates or beliefs concerning, among other things, future growth, results of operations, production rates, future natural gas production, the magnitude of and ability to recover petroleum and gas reserves, plans for and results of exploration, drilling, facility construction and recompletion activities, the ability to secure necessary personnel, equipment and services, environmental matters, social matters, governance matters, health and safety matters, future commodity prices, changes to prevailing regulatory, human rights, employment,

ADVISORIES (CONTINUED)

royalty, tax and environmental laws and regulations, the impact of competition, future capital and other expenditures (including the amount, nature and sources of funding thereof), future financing sources, business prospects and opportunities, risk that the Company will not be able to obtain contract extensions or fulfill the contractual obligations required to retain its rights to explore, develop and exploit any of its properties and risks related to lawsuits.

More particularly and without limitation, this report contains forward-looking information and statements about strategy, plans and focus; the Company's targeted emission reductions and the timing to achieve such reductions and the underlying performance goals and trajectories; proposed GHG regulations; Touchstone's plans to improve operating efficiencies and reduce overall emissions; plans to improve overall safety performance; ability for Touchstone to evaluate and adapt to new risks and opportunities relating to climate change; establishing a foundation and the timing thereof; estimated timing of zero produced water release into the environment; implementing a reforestation program targeting zero net loss of trees and the timing thereof; demand for oil and gas will continue and such demand will support the Company's business model; the benefits to be derived from Touchstone's anticipated growth; the Company's ability to continue to be a safety and environmental leader within Trinidad; lower carbon output as the Company transitions from crude oil to natural gas production; ability to obtain and use produced water in its operations; ability to acquire all necessary regulatory approvals; and this 2022 ESG report and the content thereof.

Although the Company 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 are inherently subject to significant business, economic, operational, competitive, political and social uncertainties and contingencies. Many factors could cause the Company's actual results to differ materially from those expressed or implied in any forward-looking statements made by, or on behalf of, Touchstone.

Statements relating to "reserves" are by their nature forward-looking statements, as they involve the implied assessment, based on certain estimates and assumptions, that the reserves described exist in the quantities predicted or estimated and can be profitably produced in the future. The recovery and reserve estimates of Touchstone's reserves provided herein are estimates only, and there is no guarantee that the estimated reserves will be recovered. As a consequence, actual results may differ materially from those anticipated in the forward-looking statements.

Since forward-looking statements address future events and conditions, by their very nature they involve inherent risks and uncertainties, most of which are beyond Touchstone's control, including the impact of general economic conditions; industry conditions; liabilities inherent in crude oil and natural gas operations; environmental risks; inability to further reduce emissions intensity; inability to dispose produced water into water disposal wells; and hazards such as fire, explosion, blowouts, cratering and spills, any of which could result in substantial damage to wells, production facilities, other property and the environment or in personal injury. Actual results could differ materially from those currently anticipated due to a number of factors, risks, uncertainties and material assumptions, which are incorporated herein by reference. Certain of these risks are set out in more detail in the Company's 2022 Annual Information Form dated March 23, 2023 and other documents Touchstone files from time to time with securities regulatory authorities. Copies of these documents are available under Touchstone's profile on [SEDAR](#) and on the Company's [corporate website](#).

Forward-looking statements and other information contained herein concerning the oil and natural gas industry in the countries in which the Company operates and the Company's general expectations concerning this industry are based on estimates prepared by Management using data from publicly available industry sources as well as from resource reports, market research and industry analysis and on assumptions based on data and knowledge of this industry which the Company believes to be reasonable.

However, this data is inherently imprecise, although generally indicative of relative market positions, market shares and performance characteristics. While the Company is not aware of any material misstatements regarding any industry data presented herein, the oil and natural gas industry involves numerous risks and uncertainties and is subject to change based on various factors.

Management has included the above summary of assumptions and risks related to forward-looking statements and other information provided in this ESG report in order to provide shareholders and investors with a more complete perspective on the Company's current and future operations and HSSE and ESG initiatives, and such information may not be appropriate for other purposes. Readers are cautioned that the foregoing lists of factors are not exhaustive. Actual results, performance or achievement could differ materially from that expressed in or implied by any forward-looking statements or information in this ESG report, and accordingly, investors should not place undue reliance on any such forward-looking statements or information.

Further, any forward-looking statement or information speaks only as of the date on which such statement is made, and Touchstone undertakes no obligation or intent to update any forward-looking statements or information to reflect information, events, results, circumstances or otherwise after the date on which such statement is made or to reflect the occurrence of unanticipated events, except as required by law, including securities laws. All forward-looking statements and information contained in this ESG report are qualified by such cautionary statements. New factors emerge from time to time, and it is not possible for Management to predict all of such factors and to assess in advance the impact of each such factor on Touchstone's business or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained in any forward-looking statements.

Oil and Gas Reserves

Touchstone's year-end petroleum and natural gas reserves in Trinidad were evaluated by independent reserves evaluator, GLJ Ltd., in accordance with definitions, standards and procedures contained in the Canadian Oil and Gas Evaluation Handbook and NI 51-101 – *Standards of Disclosure for Oil and Gas Activities*. Full disclosure and related advisories with respect to the Company's petroleum and natural gas reserves as at December 31, 2022 are included in the Company's 2022 Annual Information Form dated March 23, 2023, which can be accessed online on the Company's [SEDAR](#) profile or the Company's [corporate website](#).

There are numerous uncertainties inherent in estimating quantities of petroleum and natural gas reserves. The recovery and reserves estimates of Touchstone's petroleum and natural gas reserves provided herein are estimates only, and there is no guarantee that the estimated reserves will be recovered. Actual reserves may be greater than or less than the estimates provided herein.

Oil and Gas Measures

Where applicable, natural gas has been converted to barrels of oil equivalent based on six thousand cubic feet to one barrel of oil. The barrel of oil equivalent rate is based on an energy equivalent conversion method primarily applicable at the burner tip, and given that the value ratio based on the current price of crude oil as compared to natural gas is significantly different than the energy equivalency of the 6:1 conversion ratio, utilizing the 6:1 conversion ratio may be misleading as an indication of value.



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