

2023 SUSTAINABILITY REPORT





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LETTER FROM THE CEO Albert Huddleston



The need for more low-emission, secure and reliable energy drives our pursuit of sustainable energy solutions that create exceptional value and make the world better. It is our privilege to serve others through responsible energy development that accelerates the energy transition, while at the same time enabling social uplift and positive outcomes for all our stakeholders.

Our key values of integrity, safety, innovation, teamwork, humility and respect lead our decision-making and are embedded in our approach to environmental, social and governance performance. Aethon's long-term sustainability strategy is built on objective goals and measurable outcomes, driving our commitment to operate as a steward of the environment and our assets as we develop low-carbon energy resources.

Nothing our team members do on the job is as important as going home to their family and loved ones, and we proudly achieved the milestone of one year without a recordable injury in September 2023. This dedication to safety and integrity extends through Aethon's initiatives to reduce our environmental footprint, make meaningful impact in our communities and generate attractive returns for our fund investors.

Aethon takes a holistic approach to addressing emissions. In 2023, our team continued progressing our 10-year Emissions Reduction Plan and reached a greenhouse gas emissions intensity of 0.122%¹ and methane intensity of 0.029%² across our entire upstream and midstream operational value chain. We also achieved a Production Segment Scope 1 methane intensity of 0.0025%³. This further demonstrates Aethon's ability to decouple the scale of our production from our environmental impact.

This achievement keeps us on track to reach our goal of reducing our operational emissions intensity to 0.025% by 2031, and ultimately, net zero natural gas from wellhead to electron.

Advancing the energy transition requires investing in low-carbon natural gas resources, and Aethon is proud to be a leader in detecting and eliminating methane leaks by continually implementing the most advanced and effective technologies. Coupled with a relentless focus on improving operational efficiencies throughout our value chain, Aethon strives to maintain industry-leading emissions intensity while delivering peer-leading margins.

Aethon is also committed to making a positive impact through our people in the communities where we live and operate.

Aethon in Action, our social impact platform for charitable giving and volunteer service, once again achieved record participation. Aethon's culture of giving is truly driven by our team's passion for service and desire to lift up our communities and partners.

Low-emission natural gas has an increasingly important role in meeting the world's demand for cleaner energy. It is critical that our industry remains accountable, ambitious and creative in doing our part to fuel the transition to a low-carbon future. As technologies and global emissions frameworks progress, we must collectively achieve near net zero methane and carbon dioxide emissions intensity as quickly as possible.

Dedication to responsible business means embracing goals and targets that are continuously more demanding. Aethon is committed to this journey and is excited to meet the challenges ahead through our vertically integrated strategy, innovative technical solutions, and unwavering hard work and execution.

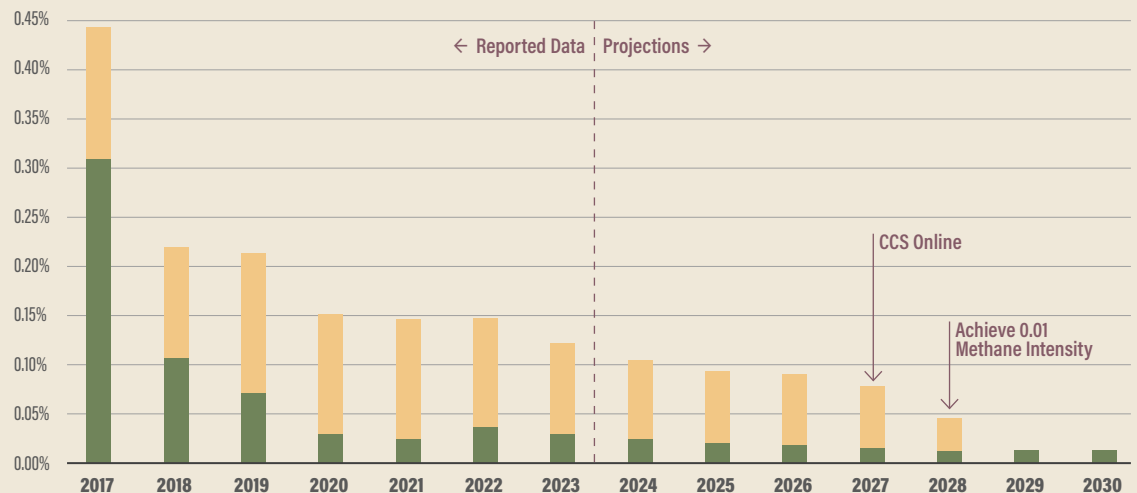
Thank you for your interest in our 2023 performance.

Sincerely,

Albert Huddleston

AETHON ENERGY SCOPE 1 & 2 EMISSIONS REDUCTION TIMELINE

- Methane Intensity
- GHG Emissions Intensity



¹ Emissions intensity defined as Mt CO₂e / Gross Mcf (includes emissions from upstream and midstream business segments)

² Methane intensity defined as Mt CH₄e / Gross Mcf (includes emissions from upstream and midstream segments)

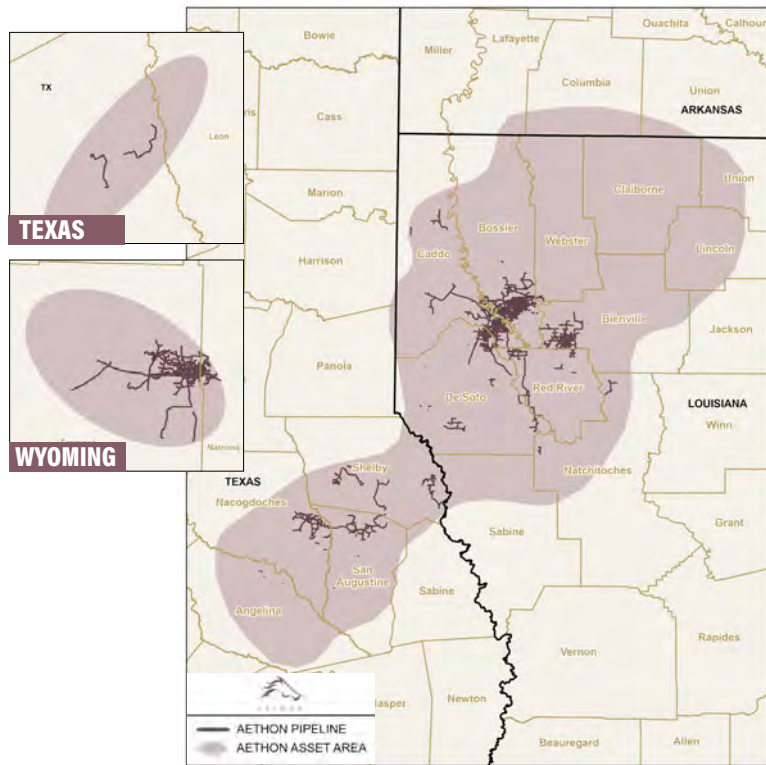
³ Company-wide Production Segment Scope 1 methane emissions intensity from combustion sources

ABOUT AETHON

Aethon Energy (Aethon) is a private investment firm focused on direct investments in vertically integrated onshore energy assets in the United States. In 2023, Aethon was ranked the most prolific private natural gas producer in the U.S. lower 48.⁴

Headquartered in Dallas, Texas, we employed over 320 employees throughout our operations in 2023. Aethon's assets are concentrated in North Louisiana and East Texas, with a focus on developing dry natural gas resources in the Haynesville Shale. We also own and operate Moneta Divide oil and gas assets in Wyoming's Wind River Basin.

Aethon is a leading E&P operator with a proven track record, coupled with significant midstream gathering assets to support our upstream development. The scale of our vertically integrated approach provides one of the lowest overall cost structures and emissions profiles in the industry.



⁴ Enverus, Top 100 Private E&P Operators List, 25 June 2024. <https://www.enverus.com/newsroom/enverus-releases-top-100-private-ep-operators-list/>
⁵ Company-wide Production Segment Scope 1 methane emissions intensity from combustion sources

2023 OVERVIEW

E&P ASSETS

~2.5	BCF/D GROSS OPERATED PRODUCTION
11	HORIZONTAL RIGS
~350K	NET ACRES (INCL. JV ACREAGE)
20+	YEARS OF FUTURE DRILLING LOCATIONS
26+	TCFE 3P RESERVES

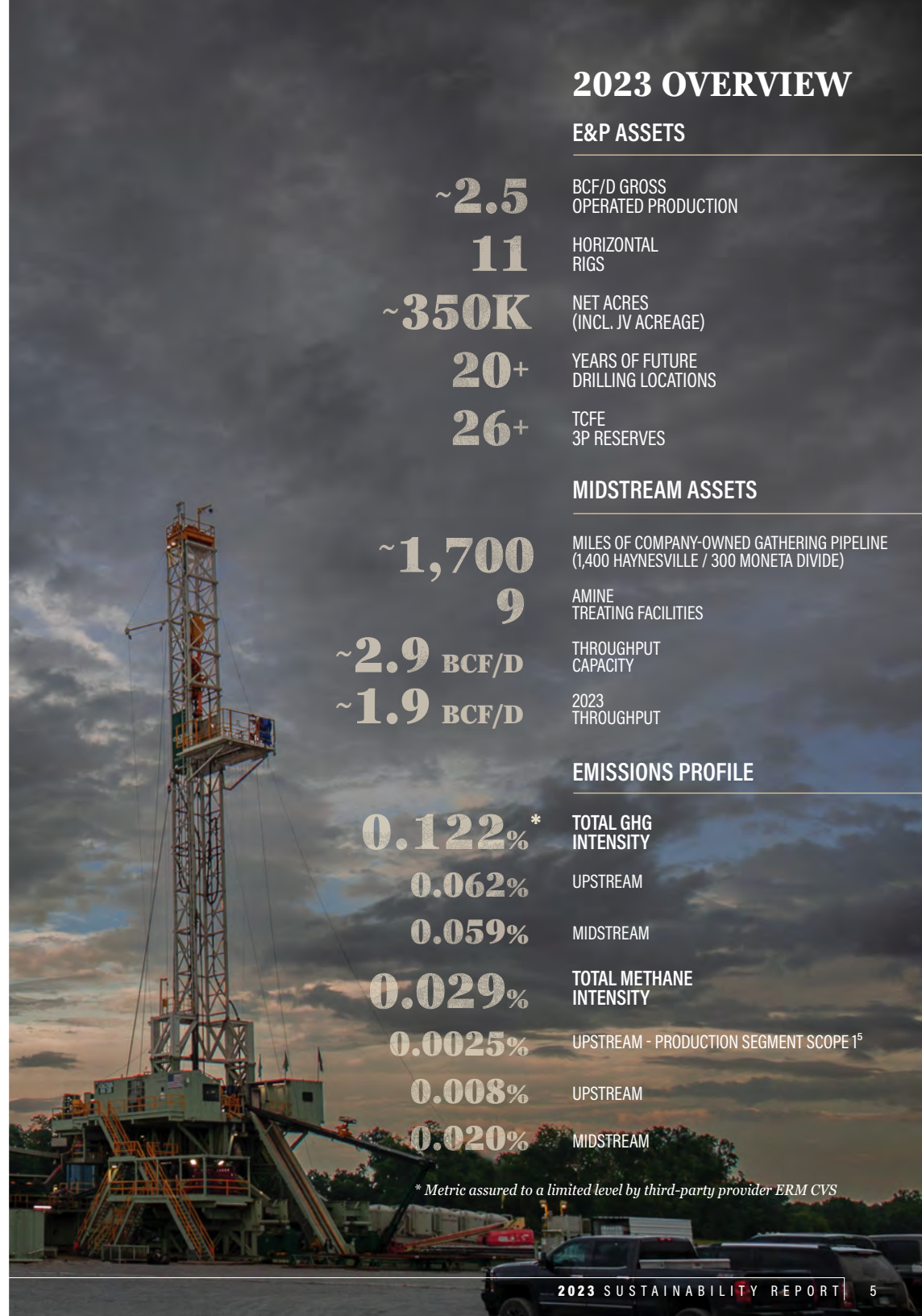
MIDSTREAM ASSETS

~1,700	MILES OF COMPANY-OWNED GATHERING PIPELINE (1,400 HAYNESVILLE / 300 MONETA DIVIDE)
9	AMINE TREATING FACILITIES
~2.9 BCF/D	THROUGHPUT CAPACITY
~1.9 BCF/D	2023 THROUGHPUT

EMISSIONS PROFILE

0.122%*	TOTAL GHG INTENSITY
0.062%	UPSTREAM
0.059%	MIDSTREAM
0.029%	TOTAL METHANE INTENSITY
0.0025%	UPSTREAM - PRODUCTION SEGMENT SCOPE 1 ⁵
0.008%	UPSTREAM
0.020%	MIDSTREAM

* Metric assured to a limited level by third-party provider ERM CVS





MISSION & VALUES

Aethon unveiled a new mission and values framework in 2023 that reflects our workplace culture, approach to Principled Private Equity and goal of making net zero hydrocarbons a reality.

Mission

To create exceptional value through sustainable energy solutions that make the world better.

Values

Our values drive how we succeed and grow in service of our investors and key stakeholders. Our team members are committed to:



Always acting with **INTEGRITY**, demonstrating sound moral character and a commitment to ethical principles.



Fostering **TEAMWORK** to promote inclusiveness and a cooperative approach to growing together.



SAFETY as a guiding principle in everything we do, embedded in how we think, engage and operate together.



HUMILITY and accountability to be honest with ourselves in understanding the strengths and limits to how we engage and work together.



A dynamic and pragmatic approach to **INNOVATION**, exploring new ideas and ways of creating value with an entrepreneurial mindset.



Treating everyone with dignity and **RESPECT**, recognizing different perspectives and the power of diverse thought.



APPROACH TO SUSTAINABILITY

Aethon is committed to protecting the environment and our people, operating responsibly, improving our communities and practicing sound governance. These principles drive our approach to environmental, social and governance (ESG) matters.

Aethon strives to create a transparent and credible reporting process that reflects the valuable, trusted relationships we have with our stakeholders. Our strategy encompasses comprehensive analysis of Aethon's goals and our stakeholders' priorities, as well as corporate and social responsibility, financial and related considerations.

Aethon's Health, Safety and Environmental (HSE) team shapes and implements our sustainability model, empowering our

people to operate the business strategically and responsibly as environmental stewards in our communities. This focus on reducing risk and embracing opportunities ultimately helps inform how we invest in and operate sustainable energy solutions that make the world better.

Our Reporting Scope

Aethon's annual Sustainability Report provides an objective view of the strategy and philosophy that drive our pursuit of sustainable development, including clear and consistent measurement of our ESG initiatives and their performance.

Our approach follows the Ten Principles of the United Nations Global Compact (UNGC) and United Nations Sustainable

Development Goals (UN SDGs), along with Global Reporting Initiative (GRI) and Sustainability Accounting Standards Board (SASB) standards. Please see the Appendix for a UNGC Principles, SDGs and Standards chart.

We use the Ten Principles of the UNGC,⁶ UN SDGs⁷ and GRI Standards⁸ as both a methodology and lens to better organize and report our policies, programs and progress.

The information included in this report covers Aethon's activities and results for 2023, unless otherwise stated.

⁶ The UN Global Compact, The Ten Principles. <https://www.unglobalcompact.org/what-is-gc/mission/principles>

⁷ The United Nations Department of Economic and Social Affairs, Sustainable Development, The 17 Goals. <https://sdgs.un.org/goals>

⁸ The Global Reporting Initiative, The GRI Standards. <https://www.globalreporting.org/standards/>



Business Ethics & Governance

Aethon is committed to the highest ethical standards, and we hold every member of the organization responsible for maintaining them.

BUSINESS ETHICS

Our core values of integrity, safety, innovation, teamwork, humility and respect reinforce our commitment to the highest ethical standards throughout every aspect of our business.

Compliance

We are committed to maintaining compliance with applicable laws, regulations and our established policies. Under supervision of Aethon's Chief Administrative Officer, who also serves as Chief Compliance Officer, and General Counsel, regular compliance monitoring, audits and measures are conducted to deter non-compliance and/or reduce the exposure of employees to unethical opportunities.

All employees are trained on our policies, protocols and guidelines, as codified in Aethon's Team Member Handbook, Compliance Manual and Code of Ethics. Employees complete annual compliance training, which is also part of our onboarding process for new hires.

In 2023, Aethon implemented new technology solutions to support our compliance initiatives, centralizing data and tracking activities relevant to compliance requirements and reporting.

Business Ethics

Aethon's values and belief in Principled Private Equity drive our business objectives, performance and culture. We believe our approach and standards positively affect the reputation, productivity and bottom line of the business.

Workplace Integrity

Although we take measures to deter non-compliance with applicable laws, regulations and our established policies, we recognize that there may be occasions where a violation might occur or be suspected of occurring. Even if unsure of an occurrence, we strongly encourage employees to bring all potential matters to the attention of our Legal Department, Chief Compliance Officer or President for prompt review, investigation and, if applicable, resolution. Reports can also be made through our anonymous reporting hotline and website — which are open 24 hours a day, 365 days a year and available in all local languages.

Aethon has a non-retaliation policy that applies to anyone who reports matters in good faith: Aethon will not discharge, demote, suspend, threaten, harass or in any manner discriminate against any employee for submitting a concern or making a report.

All reports are logged into a database and the Legal and Compliance Departments, led by our General Counsel and Chief Compliance Officer, investigate all reports until they are resolved. If it is discovered that a violation has occurred, executive management is notified and corrective action is taken as deemed necessary. Aethon received no substantiated reports in 2023.

Testing is also performed as part of financial audits to ensure Aethon's processes and procedures function as intended. As defined by GRI Standards Disclosure 205-3⁹ and 206-1,¹⁰ Aethon did not experience any reportable incidents in 2023.

Aethon's policies, protocols and guidelines define our ethical framework and ensure our people are accountable, deal fairly with business partners and stakeholders, and treat all individuals with respect. This information is included in our Team Member Handbook, as well as our Compliance Manual and Code of Ethics.

KEY AREAS COVERED INCLUDE:

1. Confidentiality
2. Anti-Money Laundering
3. Inducement & Gifts
4. Legal Compliance
5. Fair Operating Practices
6. Respect for Property Rights
7. Fair Competition
8. Anti-Corruption under the Foreign Corrupt Practices Act

ANONYMOUS REPORTING HOTLINE & WEBSITE

Aethon provides a hotline and website for employees to anonymously report incidents that include but are not limited to:

- Ethical violations
- Improper conduct
- Unsafe working conditions
- Discrimination
- Threats
- Bribery and kickbacks
- Wrongful discharge
- Fraud

⁹ GRI 205: Anti-Corruption 2016: <https://www.globalreporting.org/how-to-use-the-gri-standards/gri-standards-english-language/>

¹⁰ GRI 206: Anti-Competitive Behavior 2016: <https://www.globalreporting.org/how-to-use-the-gri-standards/gri-standards-english-language/>

Promoting Social Responsibility in the Supply Chain

Aethon promotes procurement activities with our suppliers and the broader industry supply chain that encompass and prioritize:

- Protection of the environment
- Respect for human rights
- Prohibition of discrimination
- Protection for labor, including the prohibition of forced and child labor, expectations of maximum working hours and minimum living wages, and the right to freedom of association and collective bargaining
- Guarantees of health and safety, including the prohibition of corporal punishment or other severe disciplinary practices, and the right to acceptable living conditions
- Assurance of safety and quality of products and services
- Maintenance and promotion of information security
- Fair trade and corporate ethics

Aethon sets specific expectations of compliance with these practices, both internally and with our partners. We are recognized as a Trusted Partner by Veriforce, one of the world's largest supply chain risk management networks, for our contributions to the development of new tools and solutions that help bring workers home safely.¹¹

Political & Charitable Contributions

Aethon operates in a heavily regulated industry and can be significantly affected by the political and legislative process. We strongly believe that a business environment that protects

and supports our ability to responsibly operate and provide important resources enhances our long-term value.

Corporate contributions that further this interest, if any, are made only if consistent with Aethon's Political and Charitable Contributions policy. This policy states that the Company and its employees may not make payments or provide any other item of value, directly or indirectly, to any government employee, political official or charitable organization for the purpose of obtaining business or influencing any decision on behalf of Aethon or its activities.

Team Members are allowed to support political candidates and/or issues of their choice with their own time and money, but will not be reimbursed or compensated by the Company in any way. Contributions above a certain monetary threshold must also receive approval in advance from our Chief Compliance Officer or President.

ENTERPRISE RISK MANAGEMENT

Aethon faces a range of risks as an energy producer and private investment firm. Disciplined risk management is fundamental to our operating principles, and our approach to enterprise risk management is guided by a quantitative method of continuously evaluating potential risks to our business.

Organization-wide and project-level risk identification allows us to develop and implement measures to avoid, mitigate or remedy risks by addressing potential likelihood, impact, velocity, existing preparedness levels and a variety of other elements. Formal risk registers are used to identify and define key risks, contributing factors, leading indicators, mitigation plans, gaps/improvements needed and action plans, as necessary.



¹¹ Award received at the 2024 Veriforce Select Client Spring Conference

Corporate and macroeconomic risk factors addressed through Aethon's risk processes include but are not limited to:

- Commodity price fluctuations
- Climate and ESG initiatives
- Business plan performance
- Operations and facilities
- Business conditions
- External market factors
- Government and regulatory conditions
- Information, technology and business continuity
- Cybersecurity and data privacy

Aethon continually advances our risk identification, mitigation, prioritization and management practices, including how we address risks related to climate change. We seek to mitigate potential climate-related risks, which could include current and emerging regulations and legislation, technologies, legal issues, market conditions, physical and environmental factors and reputational risks, as part of our business planning and risk management strategies.

Risk Committee

The Executive Leadership Team is responsible for day-to-day management of the risks we face, and our Risk Committee is responsible for risk management oversight.

The Risk Committee meet regularly to identify, track and mitigate risk factors that could influence Aethon's business and is composed of the following members of our senior leadership team:

- Chief Executive Officer
- President
- Chief Financial Officer
- Co-Chief Operating Officers
- Chief Health, Safety & Environmental Officer
- Chief Information Officer
- General Counsel
- Senior Vice President of Finance
- Other members of the Executive or Senior Leadership teams as required

Risk Committee discussions also address risks and potential effects as they relate to Aethon's:

- Drilling and development programs
- Midstream functions
- Marketing platforms
- Capital structure
- Balance sheet
- Hedge strategy
- Other enterprise-level operations

Data Privacy

Maintaining the confidentiality, integrity and availability of our organizational data is paramount to Aethon's security and success. We are committed to protecting confidential information regarding our business as well as confidential information related to our investors, customers, vendors and other stakeholders.

Aethon employs several measures to ensure the security of confidential and proprietary information, including regular training for our team members on best practices and standards defined in our Confidentiality and Data Protection policies. If a team member becomes aware of confidential data being stored or used improperly, they are required to immediately report the incident to the Chief Compliance Officer and the Human Resources team.



Aethon's governance framework establishes clear accountability and defines the relationship between our economic and social goals. This ensures efficient and effective use of resources, in alignment with the interests of our stakeholders.

HEALTH, SAFETY & ENVIRONMENTAL TEAM

Aethon's Health, Safety & Environmental (HSE) team shapes and drives our sustainability initiatives across the organization and with our external partners and operating communities.

BUSINESS CONTINUITY

Business continuity is critical to our risk management strategy. We regularly evaluate the risks to our people, places, systems, production and partners to improve our resilience and preparedness. Advanced planning and preparations are continually made to ensure Aethon has the capabilities to operate critical business functions during and following emergency or crisis events.



Climate Change & Energy Transition

Aethon recognizes there are both business opportunities and risks associated with the energy transition and climate change. We believe reducing our greenhouse gas (GHG) emissions represents the most significant opportunity to improve our environmental impact, while also enabling our mission to provide sustainable energy solutions that make the world better.

Utilizing the Taskforce on Climate-Related Financial Disclosures (TCFD) framework,¹² this section outlines our approach to managing and addressing climate change-related risks and opportunities.

GOVERNANCE

Aethon's Executive Leadership Team sets our sustainability and business strategies, including approving our emissions reduction initiatives and goals, which are operationalized through our HSE Management Program. It also oversees Aethon's ESG programs and activities, which includes oversight of climate-related risks and opportunities and climate resiliency planning.

Together, the Executive Leadership Team and Investment Committee approve our capital investment budget, including investments in emissions-reducing technologies, based on the recommendations of senior leadership and other key stakeholders within the organization.

STRATEGY

We continue to grow our investment in reducing our GHG emissions and other ways to mitigate potential climate change-related risks and capture opportunities for Aethon's business. Reducing our GHG intensity to 0.025% (Mt CO₂e/Gross Mcf) or less by 2031 is paramount to our strategy, and we have created a roadmap to evaluate and implement new technologies and practices to lower our emissions as we work to achieve this goal.

EMISSIONS MANAGEMENT

Our comprehensive approach to managing and monitoring emissions and prioritization of solutions that deliver the most significant emissions reductions have helped decouple our production volume from its environmental impact.

Pneumatic Retrofit Program

To reduce methane emissions, we have set a goal of eliminating the use of gas pneumatic components at all of our midstream plants. In 2023, three midstream plants completed this transition, and we expect the remaining two facilities to complete their conversions in 2024, ahead of our original timeline. This transition eliminates related methane emissions and offers additional safety and financial benefits. In addition, Aethon made a significant methane reduction in 2023 at our Hall Summit facility by re-routing flash vapors to a fuel gas system.

10-year Emissions Reduction Program Roadmap

Implemented in 2021 and periodically refined, our 10-year Emissions Reduction Program continues to optimize operational efficiencies and implement new technologies through significant investments across eight initiatives:

1. Leak Detection & Repair
2. Zero Emission Wellsite Design
3. Pneumatic Retrofit Program
4. Emissions Inventories
5. Controlling Water Tank Emissions
6. Drilling & Completions Energy Sourcing
7. Carbon Capture & Acid Gas Removal (AGR) Venting Elimination
8. Liquids Unloading



¹² Task Force on Climate-Related Financial Disclosures. <https://www.fsb-tcfid.org/>



Our 10-year GHG Emissions Reduction Program

Aethon Energy aims to lower our GHG intensity

85% by 2031 to 0.025% (Mt CO₂e/Gross Mcf),
which will avoid over 3.8 million metric tons
of CO₂e over 10 years.

In 2023, we achieved an industry-leading
full operational value chain methane intensity of

0.029% (Mt CH₄e/Gross Mcf), a performance
level that meets standards set by the EPA's
Methane Emissions Reduction Program.*

* United States Environmental Protection Agency, Methane Emissions Reduction Program; <https://www.epa.gov/inflation-reduction-act/methane-emissions-reduction-program>

Aethon reduced our annual GHG emissions from equipment leaks by almost **30%** in 2023.



Drilling & Completions Energy Sourcing

Aethon is focused on utilizing the newest generation of drilling and fracturing equipment, which helps reduce emissions through electrification and improved efficiency:

Natural gas and electrification: The successful implementation of our first all-electric Halliburton Zeus fleet in 2022 continues to deliver Aethon's best GHG emissions performance for completions activities. We continue to expand our use of this technology, which delivers significant improvements to our emissions compared to conventional diesel fleets and is driven by power-on-demand systems from Voltagrid.

Smaller footprint: Our new-generation frac fleets have smaller operational footprints and/or improved modularity, which reduces surface impact without sacrificing operational efficiency.

Quieter: Our modern frac fleets have reduced overall sound output versus conventional fleets and, in combination with other mitigation tactics, lower the volume of our operations in areas with higher population density.

More efficient: Our drilling and completion equipment continues to deliver year-over-year improvement in drilling and pumping hours per day, driven by enhanced scheduling, reduced idle time and optimized development planning.

Leak Detection & Repair (LDAR)

Aethon's LDAR program identifies leaks across our operations to improve repair response times and enhance preventative maintenance. As part of a risk-based approach, compressor and plant facility inspections undergo quarterly reviews to better monitor more vulnerable or higher risk components.

Aethon closely tracks and monitors leak-repair timeframes, compiling accurate data to track and report our progress and understand which component types are most frequently associated with leaks.

Using this information, operations can develop and perform more proactive preventative maintenance programs that lead to significant improvement in managing fugitive equipment leaks. In 2023, company-wide equipment leaks totaled 4,659 Metric Tons CO₂e, an almost 30% decrease in annual GHG emissions from equipment leaks compared to 2022.

Carbon Capture & Acid Gas Removal (AGR) Venting Elimination

Aethon's carbon capture utilization and sequestration (CCUS) team was established in 2018 to pursue the most significant opportunity identified in our 10-year GHG Emission Reduction Plan. We continue to invest in understanding the underlying science, infrastructure and regulatory environment for CO₂ and waste gas disposal, and we have spent several years pursuing and securing Class II Acid Gas Injection permits for our Martinsville and Bland Lake plants via Aethon's Kudu Midstream subsidiary.

Aethon's CCUS strategy has evolved to focus on Class VI injection wells, exploring various locations in Louisiana and Texas. We submitted two Class V well permit applications in Louisiana in 2023 in support of this strategy, which will allow us to conduct more detailed reservoir mapping and subsurface due diligence of formations and locations we believe are capable of capturing and sequestering third-party CO₂, in addition to emissions from Aethon's operations. We also received permitting for a similar exploratory well in Texas. Notably, the United States Environmental Protection Agency (EPA) granted the State of Louisiana primacy over Class VI Injection Wells in December 2023. This transitions primary regulatory oversight of carbon capture within Louisiana to the Louisiana Department of Energy and Natural Resource (LDENR), which is encouraging for the potential acceleration of the state's Class VI permitting process.

We continued to hold productive meetings throughout 2023 with key Louisiana stakeholders in Sabine and Vernon Parishes, including with state legislators representing local communities. We also initiated a leasing program in Louisiana with private landowners as well as negotiations with commercial partners.

	2019	2020	2021	2022	2023
LDAR Inspections (#)	2,382	2,286	2,921	2,292	1,823
Equipment Leaks (MT CO₂e)	14,886	14,251	11,761	6,588	4,659*

* Metric assured to a limited level by third-party provider ERM CVS

Gas Well Liquids Unloading

Aethon has significantly reduced gas well liquids unloading events, particularly within our Texas operations, through a wellbore tubing design change and modified work practice. Aethon follows Best Management Practices when performing liquids unloading events to minimize associated venting to the extent practicable.¹³

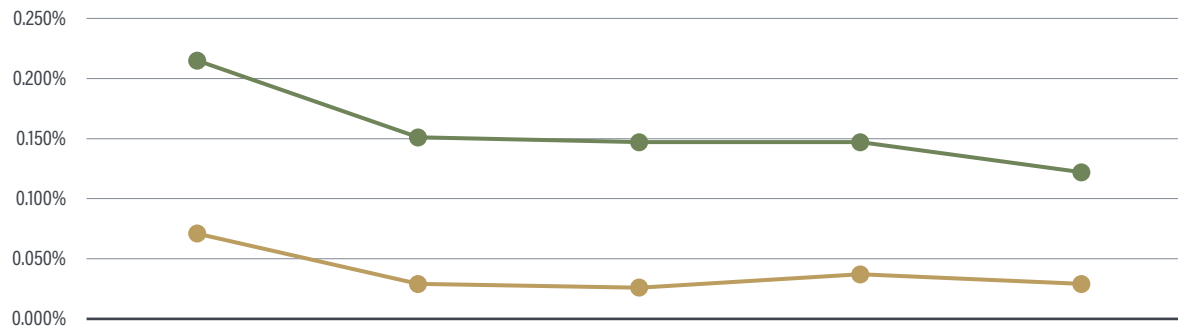
Controlling Water Tank Emissions

Water tank emissions have been excluded from the EPA's mandatory GHG Reporting Program to date. Volatile Organic Compound (VOC) emissions from Aethon's Haynesville operations are de minimus and not applicable to NSPS 0000/0000a regulations. In 2023, Aethon began multiple efforts to better understand and quantify methane emissions from water systems to evaluate for the proposed New Methane Rules 0000b/0000c, including a pilot program to control water tank methane emissions.

2023 EMISSIONS

Aethon tracks our Scope 1 and Scope 2 GHG emissions across our entire upstream and midstream operations. These are reported on an absolute basis as well as by the intensity relative to production.

AETHON SCOPE 1 GHG EMISSIONS INTENSITY



	2019	2020	2021	2022	2023
CO ₂ e Intensity	0.215%	0.151%	0.147%	0.147%	0.122%*
Methane Intensity	0.071%	0.029%	0.026%	0.037%	0.029%

¹³ United States Environmental Protection Agency, Liquids Unloading. <https://www.epa.gov/natural-gas-star-program/liquids-unloading>

¹⁴ United States Environmental Protection Agency, Methane Emissions Reduction Program. <https://www.epa.gov/inflation-reduction-act/methane-emissions-reduction-program>

¹⁵ Oil & Gas Decarbonization Charter. <https://prod-od-cdn.azureedge.net/-/media/Project/COP28/COP28-OG-Decarbonization-Charter.pdf?rev=f7776056724e4caebf7aaa803e53e18e>

¹⁶ Company-wide Production Segment Scope 1 methane emissions intensity from combustion sources

From 2022 to 2023, Aethon reduced our full operational value chain GHG emissions intensity by 17% to 0.122%. We also achieved an industry-leading methane intensity of 0.029% (Mt CH₄e/Gross Mcf), a performance level that meets standards set by the EPA's Methane Emissions Reduction Program¹⁴ as well as the "near-zero methane" target for 2030 adopted by the Oil & Gas Decarbonization Charter at the COP28 UN Climate Change Conference.¹⁵ Aethon's company-wide Production Segment Scope 1 methane emissions intensity was 0.0025%.¹⁶

Our Scope 1 and Scope 2 emissions reportable under the EPA GHG reporting requirement (40 CFR Part 98) are assured to a limited level by third-party assurance and certification provider ERM CVS.

10-year Emissions Reduction Plan Progress

We have set a goal to reduce our GHG emissions intensity 80% by 2031 compared to our 2020 baseline. In 2023, Aethon's emissions intensity of 0.122% was 19% lower than our 2020 baseline.

2023 GHG Emissions

Metric Tons CO₂e

Scope 1

1,194,053*

Scope 2

10,172*

We reduced our emissions by

79,491

* Metric assured to a limited level by third-party provider ERM CVS



Environment

Environmental stewardship is a cornerstone of Aethon's business, and we reduce our impact by implementing best practices and adhering to leading standards for responsible energy development.

We believe that improving our operational efficiency and resource management can drive economic growth, while reducing our environmental impact.

BIODIVERSITY

We are committed to protecting biodiversity and minimizing adverse environmental impacts from our operations. Aethon performs environmental assessments and reviews on all proposed development areas to identify and mitigate potential impacts to wetlands, streams, archeology, endangered species and floodplains. We also implement directional drilling technology from multi-well pads and minimize surface disturbance to the extent feasible.

AIR EMISSIONS

To minimize venting into the air and atmosphere, Aethon focuses on emission reductions by sourcing best available control technology (BACT), testing engine emission sources to validate compliance with applicable limits and regulations, and routing emissions from oil tanks to combustion devices to reduce flashing emissions.

ENVIRONMENTAL MANAGEMENT

Our Executive Leadership Team sets our HSE strategy, approves goals, provides resources to meet performance targets and has oversight of our sustainability policies and programs, including our environmental management approach. Our Chief Health, Safety & Environmental Officer has managerial responsibility for implementing this program.

Our operations are subject to stringent environmental laws and regulations, which we strictly follow. We regularly review our operations to identify and minimize our potential environmental impact. Through our HSE management program, we set objectives, measure results and improve practices. Employees receive training on environmental compliance and our operating procedures, including monthly safety meetings with environmental focuses.

WATER USE & EFFLUENTS

Aethon is committed to the efficient and responsible use of water while minimizing and properly handling effluents.

Water sourcing for well completions is achieved in multiple ways across our operations, including reuse of Aethon's own produced water and obtaining surface-use permits from nearby sources to drill designated water source wells. We are an industry leader in the advancement of produced water treatment, which facilitates surface discharge in our Wyoming assets. Other produced water generated during our operations is disposed in Underground Injection Control Class II water disposal wells. Protection of groundwater is accomplished by ensuring wellbore integrity and sufficient depths from groundwater when implementing the use of poly-lined ponds or pits. Aethon also continues to build water lines along existing rights of way to reduce truck traffic around our Louisiana and Texas operations.

Aethon focuses on responsible development and limiting our impact by implementing practices that:

- Decrease emissions and prevent pollution
- Promote sustainable resource use
- Protect water and wetland impacts across diverse ecosystems and regulatory jurisdictions
- Minimize habitat disturbance, protect biodiversity and restore the natural environment
- Prevent and respond to spills



WASTE MANAGEMENT & CHEMICAL USE

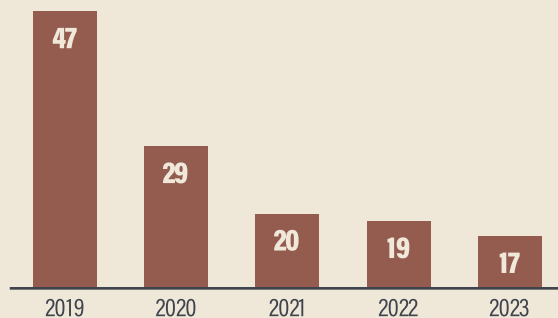
To reduce the waste footprint from our operations, Aethon recycles used engine oil, scrap metal and batteries. All generated commercial trash and Exploration and Production (E&P) waste streams are disposed of at appropriate facilities, and all required regulatory documentation is retained.

Aethon also ensures that the hydraulic fracturing fluid products used in our operations are safe, effective and environmentally responsible. Full disclosure of our practices is maintained in FracFocus, a national hydraulic fracturing chemical disclosure registry. Aethon requires our vendors, including chemical manufacturers and suppliers, to follow the same rules and regulations on product use, subject to the Hazard Communication Standard through the Occupational Safety and Health Administration (OSHA) under the United States Department of Labor.

SPILLS

Aethon's spill management strategy and focus on safe, efficient operations prioritizes protection of people, the environment and our assets while complying with all applicable regulations. We continue to demonstrate significant progress in preventing and reducing spills - with an 11% decrease in our total number of reportable spills from 2022 to 2023 - driven largely by increasingly effective asset integrity management as our production capacity increases.

SPILL FREQUENCY



ASSET INTEGRITY PROGRAM

Aethon monitors our operations and conducts sophisticated trend analysis modeling to predict potential incidents. This has greatly improved our Asset Integrity Program, reducing gas releases and emissions from our assets into the environment.

As part of this program, water-line header inspections, nondestructive testing and scheduled choke inspections have reduced spills and driven substantial efficiency and production gains. Key enhancements in 2023 included:

Pipeline upgrades for pigging: Installed 19 new pig barrels to enable maintenance pigging across Louisiana and Texas. In addition, Aethon personnel have been trained on performing serial dilution bacterial enumeration on all pig fluids received for evaluating internal corrosion threats to our pipelines. Data from these samples inform our chemical inhibition program on our pipeline systems.

Non-Destructive Testing (NDT): 350 pig barrel and 460 well site inspections were conducted. In addition, eight internal inspections were conducted on vessels at Hall Summit and digital radiography was introduced to our NDT portfolio for facilities. We also established a new Corrosion Technologist position, providing a valuable resource for our Asset Integrity team.

In-line Inspection (ILI): As part of our ILI program, Aethon proactively repaired segments on 13 pipelines (2.83 miles) that were at potential risk of leak or rupture. This initiative included 39 ILI jobs, covering over 82 miles of pipeline in Louisiana and Texas, and was aided by our utilization of OneBridge analytics software to proactively find and eliminate threats to pipeline integrity.

Cathodic Protection Test Stations: Aethon conducted a cathodic protection test station repair campaign to improve surveillance at critical road, railroad and pipeline crossings, installing 45 new test stations in Louisiana and Texas.



Safety

The health, safety and well-being of our employees, contractors, stakeholders and communities are vital to Aethon's success. We are committed to eliminating HSE incidents and non-conformance issues, and mitigating issues where identified.



Our Chief HSE Officer maintains oversight and leads our team in identifying, assessing, monitoring and managing risks regarding our safety and operations, along with reporting to the Executive Risk Committee.

Aethon's HSE Policy sets the foundation of our extensive HSE Management Program, which covers all Aethon employees and contractors, and establishes our HSE objectives, measurement and practices improvement. The HSE Management Program also defines management and employee roles and responsibilities, emergency response plans, hazard prevention, training and stakeholder engagement. Management conducts periodic and annual reviews of the program and considers employee input and feedback to continually revise the program.

In pursuit of enhancing Aethon's safety program and reporting, we made significant strides in 2023 by successfully implementing KPA, an all-encompassing HSE software solution. The system is tailored to meet Aethon's comprehensive HSE requirements, including incident and form management, equipment tracking and data analysis for corrective and preventative measures.

KPA's design is particularly beneficial for our field-based workforce, granting seamless access to forms, reports and essential resources via a mobile application. The platform's customizability ensures that we can swiftly adapt to the evolving needs of our team, optimizing Aethon's operational efficiency and reinforcing our commitment to safety and sustainability.

As a result of our emphasis on a strong safety culture, Aethon achieved the milestone of being **one year recordable injury-free** in September 2023.

We remained **465 days** recordable injury-free as of December 31, 2023.

HAZARD IDENTIFICATION & ASSESSMENT

Proactively identifying and assessing hazards is a critical, ongoing element of Aethon's HSE Management Program. It is the responsibility of everyone at Aethon to identify, report and eliminate or mitigate possible hazards. All HSE incidents and hazard identifications are tracked and distributed throughout our operations, complemented by periodic analysis to communicate lessons learned across our team.

The following identification and assessment techniques are utilized to ensure workplace hazards are recognized and corrected:

- Regular health, safety and environmental internal inspections
- Risk assessments on identified hazards where elimination of the hazard is not feasible
- Reporting of hazard identification and behavior-based safety observations during daily operations, which are provided to the supervisor and HSE team for corrective action tracking and records retention purposes
- Management of Change (MOC) process to control changes to facilities, equipment, materials or processes through systematic reviews, authorization and procedures
- Conducting Pre-Startup Safety Reviews (PSSR) prior to the start-up of new facilities or when design changes occur at existing facilities
- Incident reporting and investigation



We employ comprehensive health and safety programs across our operations, proactively evolving our practices to better track trends, leading indicators and other data to reduce safety incidents. This includes a systematic, data-driven methodology for investigating, analyzing and reducing risks through:

1. Training and regular education as our operations evolve and grow
2. Identifying and assessing hazards through monitoring of actual and potential environmental and workplace risks
3. Prevention and controls to reduce identified safety risks and hazards
4. Planning and evaluation to review and mitigate ongoing and existing risks or hazards

When an existing or potential hazard is identified, Aethon utilizes prevention and control techniques and communications connectivity throughout our operations:

Engineering: Controlling hazards through engineering controls, administrative controls and personal protective equipment

OSHA mandated programs: Standards to comply with local and state rules and federal 40 CFR 1910 regulations

Preventative maintenance: Following the manufacturer's recommendations, performing scheduled maintenance and reporting and acting on employees' concerns and repair requests

	2019	2020	2021	2022	2023
Employee Total Recordable Incident Rate (TRIR)	0.85	0.40	0.38	0.35	0.00*
Contractor TRIR	0.18	0.21	0.41	0.65	0.95*
Preventable Motor Vehicle Incidents (MVI) - incident rate per 1,000,000 miles driven	0.35	1.43	0.46	0.00	0.66

*Metric assured to a limited level by third-party provider ERM CVS

CONTRACTOR SAFETY

Ensuring the health and safety of our people, including our contractors, is a core value of Aethon. All contractors are required to complete a safety onboarding training and briefing prior to beginning work. We utilize supply chain risk management solutions

from Veriforce to onboard contractors, which includes a mandatory electronic Field Safety Briefing. Aethon regularly evaluates and improves our policies and procedures, and adherence to them, to maintain a safe operating environment for our contractors.

2023 Health, Safety & Environmental Performance Metrics

	2023 Target Objectives	2023 Results
Business Ethics & Governance	Notice of Compliance Violations ≤ 1	0 Notices of Compliance Violations
	HSE Action Items Completed by Due Date $\geq 99\%$	100% On-time Completions
Safety & Sustainability	Achieve Reportable Environmental Incident Rate (REIR) ≤ 12.00	5.55 REIR
	Achieve Employee Total Recordable Incident Rate (TRIR) ≤ 0.38	0.00 Employee TRIR
Procedure Compliance	Record ≤ 1 Preventable Construction or Engineering Line Strikes	0 Preventable Construction or Engineering Line Strikes
	Record ≤ 1 Preventable 3rd Party or Operations Line Strikes	0 Preventable 3rd Party or Operations Line Strikes
Operational Risk	Achieve Preventable Vehicle Accident Rate (PVAR) ≤ 0.64	0.66 PVAR
	Record 0 High Severity Fires (incidents with $> \$150,000$ in repair costs)	0 High Severity Fires





SAFETY LEADERSHIP TRAINING

In 2023, we continued to expand our “Safety Excellence for Supervisors and Managers” training sessions. Two classes were held for field operators and supervisors, with 12 attendees in Texas and 20 in Louisiana.

TRAINING

Aethon’s operations employees receive HSE training upon hire and annually thereafter. New employee orientation consists of an HSE Management program overview, general practices, major hazards and protections and emergencies procedures. Re-orientation may also take place when an employee changes job duties, especially if the change involves significant new hazards. The training includes the following topics, in addition to any other job-specific topics: Hazard Communication, Personal Protective Equipment, Lockout Tagout, Hot Work, Confined Space Entry, Working at Heights, Respiratory Protection and Bloodborne Pathogens Exposure. We also offer emergency response, OSHA HAZWOPER, first aid and CPR, and forklift operator trainings.

In 2023, we held three Contractor Roundtables with our service providers to review and discuss expectations, incidents, areas of concern and best practices. These sessions included Aethon departmental leadership, field leadership and engineers as well as key leaders from our drilling and completions and field operations contractors.

EMERGENCY RESPONSE PROGRAM

Aethon’s emergency response protocols help ensure we are prepared to respond to and recover from an emergency. Natural disasters, severe weather, accidental spills and human-instigated

threats are among the potential hazards we encounter as part of our work. Our Emergency Response Plan (ERP) complies with guidelines set forth by OSHA and is distributed to all Aethon employees. We have a 24-hour emergency number and a 24-hour operations center for emergencies. Aethon’s Emergency Notification Chart outlines the appropriate notification procedure, depending on the magnitude and scope of the incident.

The ERP is overseen by the HSE team, and is reviewed and revised annually. All operations employees receive training on the ERP, Notification Chart, SPCC and the appropriate level of HAZWOPER training on an annual basis. We also conduct annual drills to gauge the ERP’s effectiveness and maximize emergency preparedness. As part of our regular operations and routine maintenance, fields facilities and assets are inspected for potential safety hazards.

Stop Work Authority

All of Aethon’s employees and contractors have the responsibility and authority to stop and/or pause work if they believe hazardous conditions or unsafe practices are present. Furthermore, all individuals working on Aethon sites are required to report identified hazards as well as positively and proactively seek ways to better protect those on-site.





COMPLIANCE & STAKEHOLDER OUTREACH

To ensure HSE-related regulatory compliance throughout our operations, Aethon actively conducts, tracks and manages engagement with key stakeholders to better understand concerns and priorities regarding our operations and how our activities are effectively communicated.

Pipeline Safety: Public Awareness

In partnership with industry-leading compliance and training service providers, Aethon provides educational programs to local emergency responders, public officials and excavators. We aid development and procurement of educational materials, attend stakeholder meetings, participate in emergency response exercises, promote awareness of state damage prevention laws, and help coordinate effective first response plans with local authorities.

Aethon delivered or participated in 14 public awareness programs about our pipeline infrastructure in 2023, including:

- Attended First Responder Pipeline Trainings across North Louisiana and East Texas operating areas
- Conducted outreach with local fire departments, emergency first responders and excavators

- Attended Pipeline Public Awareness meetings
- Active involvement with the Pipeline Association of Louisiana (PAL)
- Coordinated response exercise and excavator safety programs (COREEX) across East Texas
- Coordinated response exercise (CORE) across North Louisiana
- Conducted excavator damage prevention and pipeline safety programs across North Louisiana

These efforts continue to reduce the likelihood of safety incidents and play a valuable role in raising awareness of pipeline locations, contents and emergency response protocols.

First Responder Partnerships

Aethon also engages with local first responders to improve knowledge and awareness of both our upstream and midstream assets. These programs provide first responders with local contacts, emergency scenarios and response plans, as well as product-, equipment- and location-specific information in case of an emergency. Some programs take place off-site, while others incorporate site tours of Aethon's larger facilities to provide a better understanding of our operations.

Examples of our first responder partnerships include:

North Louisiana

- Bienville Parish Fire Department at Ringgold Fire Station
- Caddo Parish Fire Department, also helped purchase a skid pump unit for the department through Aethon in Action's Community Investment Program
- South Bossier Parish Fire Department, also coordinated PASS fire extinguisher training between the department and Aethon operations personnel in the Elm Grove Field

East Texas

- Shelby and San Augustine County along with local municipal Fire and Volunteer Fire Departments (VFD), San Augustine Emergency Medical Services (EMS), Police and Sheriff Department at the County EXPO center in San Augustine
- Nacogdoches and Angelina Counties along with local municipal Fire and Volunteer Fire Departments (VFD), Emergency Medical Services (EMS) and Sheriff and Police Department at the Fredonia Hotel in Nacogdoches
- Robertson County and local Volunteer Fire Departments (VFD) Emergency Medical Services (EMS), Sheriff Department, and county leadership at the Pidgeon Community Center in Franklin

Innovation

We continue to make significant investments in reducing our emissions and improving our operational efficiency by leveraging new and innovative solutions.

EMISSIONS REDUCTION TECHNOLOGIES

Our efforts are rooted in a diligent process to identify and evaluate cutting-edge technologies, drive internal research and development, and deploy resources with partners and service providers that are demonstrating tangible results in ways we can monitor and reduce our emissions intensity.

Technology	Details
Aircraft Mounted Optical Gas Imaging (OGI)	Aethon utilized light-aircraft mounted, integrated methane gas imaging from Aerial Data Solutions to conduct aerial pipeline patrols across East Texas and North Louisiana. The patrols incorporated both visual and OGI technology to search for pipeline releases that could result in methane emissions. This enhanced our ability to assess the viability of North Louisiana and East Texas pipeline assets and infrastructure by providing georeferenced methane emissions data, combined with real-time optical imagery for accurate methane source attribution.
LEL Monitor LEL Methane Gas Detection Sensors at plant facilities	At our natural gas treating facilities across Texas and Louisiana, Aethon completed installation of lower explosive limit (LEL) monitors that detect and alert our teams of low methane levels.
Aircraft Mounted LiDAR	Aethon utilized Bridger Photonics' light detection and ranging (LiDAR), and laser technology to scan Aethon infrastructure by air. Its aerial methane detection plume imagery cross-references with GPS coordinates to filter out offsite emissions through proprietary analytics. A baseline flight was conducted of the Moneta pipeline and facility assets in October 2023 and additional deployment has been scheduled for 2024.
Kathairos Liquid Nitrogen Solution	Aethon pilot tested Kathairos' nitrogen solution to convert gas pneumatic components and better understand the technology's benefits and limitations. We have scheduled additional deployment of this solution, which is underway for 2024.
Gas to Liquids (GTL) Eliminating use of diesel-based drilling fluids	Aethon converted our entire drilling program from diesel-based drilling fluids to synthetic GTL alternatives, which offer improved environmental impact and increased levels of safety. We are the first Haynesville operator to make this full conversion.



Partnering with Leading Service & Equipment Providers

Aethon is committed to leading-edge advancements through research, development and design, as well as collaborative partnerships with goal-aligned vendors. We are proud to foster, drive and participate in collective initiatives in our industry that elevate our performance. Aethon continuously evaluates and deploys leading-edge equipment, processes, designs and technologies across our operations.

A low-angle photograph of a worker in a white hard hat and dark clothing standing on a metal platform next to a large, cylindrical industrial tank. The worker is looking out over a vast, cloudy sky. The scene is overlaid with large, semi-transparent, wavy graphic elements in shades of blue and white.

People

Our team members are an integral part of our success at Aethon. We are dedicated to attracting and retaining a talented and diverse workforce and supporting each individual's development.

HUMAN CAPITAL

We reinforce a healthy workplace environment built upon integrity and respect, and we seek to cultivate an atmosphere of diversity, equity and inclusion. We believe that supporting our employees and promoting corporate social responsibility are critical to achieving Aethon's goals and objectives.

In 2023, the role of Chief Human Resources Officer (CHRO) was added to the Executive Leadership Team to even better support Aethon's team. The CHRO is leading in enhancing our workforce strategy and initiatives while continuing to expand the core capabilities of our Human Resources function.

DIVERSE & INCLUSIVE TEAMS

We are committed to attracting a diverse workforce – which facilitates richer discussion, more innovation, better productivity and increased long-term value creation. Aethon continues to invest in strengthening our approach that empowers, recognizes and supports our talented team. Furthermore, all leaders are accountable for incorporating these considerations into their day-to-day actions and behaviors.

Aethon also requires mandatory harassment prevention training for all employees.

RECRUITMENT

We use a variety of recruitment tools and platforms, as well as internal and external recruiters, to find the best talent and foster a diverse workforce. Aethon values diversity at every level of our organization to enhance our ability to make better decisions, understand our stakeholders more deeply and drive sustainable growth. Our values-based approach to recruiting aims to identify, attract and retain top talent from across our industry – sourcing talent from community events to industry groups, like the Women's Energy Network – and beyond.

COMPENSATION & BENEFITS

Aethon is committed to offering employees a total rewards package that drives performance and results through competitive compensation and comprehensive benefits. Our commitment to industry-leading benefits includes flexible/remote working capabilities to support work-life balance, unlimited access to exercise facilities within our headquarters and counseling and guidance resources. All employees are also eligible to receive an annual performance bonus as part of their compensation.

In addition to periodically participating in compensation market studies to ensure alignment with the market, we constantly monitor workforce trends to ensure our compensation and benefits remain aligned with or exceed local, regional and national benchmarks.














EMPLOYEE DEVELOPMENT

Aethon encourages and cultivates the professional development of our team members to help advance their careers and support company objectives. We strive to provide opportunities for employees across every level of our organization and at every career stage to elevate their skills and capabilities through training, networking and industry-related events. Through both formal and informal training, employees receive operational and safety training pertinent to their role, plus access to professional skills development.

Senior leaders are provided third-party executive coaching to support their skills development, while managers are provided with tools and curriculum for personal and professional development through the Gallup Access platform and other resources, including strengths-based training and management solutions.

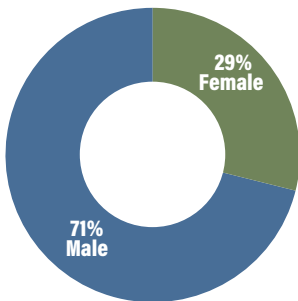
All employees receive an annual performance review, which allows them to engage in productive discussion with their supervisor regarding individual performance, development opportunities and career goals. Evaluation of our supervisors combines a review of individual performance with an assessment of their broader team to reinforce a clear understanding of how our entire organization succeeds together.

Our range of employee benefits in 2023 included:

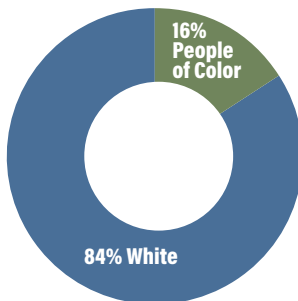
-  Health, dental and vision insurance
-  A health advocate service to assist navigating insurance benefits
-  Company paid life insurance
-  Company paid short- and long-term disability insurance
-  401(k) retirement savings plan, matching 100% of contributions up to 7% of annual base salary
-  Paid time off for full-time employees
-  11 paid annual holidays
-  Parental leave
-  Other leaves such as Bereavement, Jury Duty, Reserve Training and Military Service
-  An Employee Assistance Program (EAP)
-  Virtual telemedicine service
-  Multi-cancer early detection testing
-  Pharmacy concierge



WORKFORCE GENDER DIVERSITY



WORKFORCE ETHNIC DIVERSITY



EMPLOYEE ENGAGEMENT

Aethon recognizes the importance of all employees feeling heard and valued. To strengthen relationships between management and employees, we employ important initiatives to foster employee engagement and facilitate open communication at all levels of the organization. These include holding quarterly town hall events to discuss corporate strategy and performance as well as informal luncheons and gatherings with leadership from across the organization and functional groups where employees can share thoughts and ideas in a comfortable setting.

Aethon has an open-door policy encouraging all employees to discuss all work-related problems with their direct supervisor. If the situation cannot be resolved at that level, or the situation involves the supervisor, they are free to speak to the next supervisor in the organizational structure or anyone in Human Resources.

Employees can bring any issue or concern to the Human Resources team at any time, and our policy makes clear that they cannot be subject to retaliation for utilizing the open-door policy.

In 2023, Aethon partnered with Gallup to conduct our second annual employee engagement survey. This data-driven anonymous survey provides vital feedback to Human Resources and the Executive Leadership Teams to continuously improve our workforce development and culture strategies. We were pleased to see an improvement in engagement compared to the initial 2022 survey, as well our team's strong commitment to doing quality work, and look forward to continuing to measure our progress.

Underscoring the success of our engagement efforts, Aethon retained 86.6% of its talent throughout 2023, while growing headcount by 12.9%.

Communities

Aethon prioritizes creating a positive societal impact in the communities where we live and operate. We strive to advance our communities through employee engagement, job creation, economic growth and community outreach.

COMMUNITIES

Our Stakeholder Engagement framework details our commitment to corporate initiatives and support of employee-driven charitable giving and volunteerism.

This is operationalized through **Aethon in Action**, our platform for grants, charitable giving and volunteer service.

Internal Strategy	Employee Donation Match and Volunteerism Program	<p>Purpose: Increase employee philanthropy, morale and retention by engaging in causes and interests important to staff</p>	<p>Eligibility Requirements for Volunteer Grant and Monetary Match:</p> <ul style="list-style-type: none"> • 501(c)(3) registered nonprofit • Not political • Not religious • Cannot be anti-oil & gas
	Employee Engagement Activities	<p>Purpose: Build a sense of community, satisfaction and increased wellness for field and office staff</p>	<p>Focus Areas:</p> <ul style="list-style-type: none"> • Employee wellness, education and health • Team-building and collaboration • Outreach to underserved populations; including disabled, economically disadvantaged, veterans • Provide resources to vulnerable populations; including elderly, homeless and children
External Strategy	Community Investment Grants	<p>Purpose: Enhance and enrich the communities where we live and operate field assets</p>	<p>Eligibility Requirements for Grant Consideration:</p> <ul style="list-style-type: none"> • Organization must be located in or serving an operating area community • 501(c)(3) registered nonprofit, established nonprofit community organization, and local, state or federal institution <p>Requested project or event must focus on:</p> <ul style="list-style-type: none"> • Environmental stewardship; • Community health and education; or • Community development
	Corporate Partnership	<p>Purpose: Offset operational ESG impacts through a corporate level commitment</p>	<p>Focus Areas:</p> <ul style="list-style-type: none"> • Climate change/ disaster relief efforts • Water use, sourcing and availability • Tree reforestation efforts to offset ecological, surface disturbances
	Focused Stakeholder Communications	<p>Purpose: Increase stakeholder understanding of field-level activities through communication and outreach</p>	<p>Focus Areas:</p> <ul style="list-style-type: none"> • New development areas or increased activity in a geographic area • Multi-well pad, extended development activity • Sensitive habitats or cultural considerations • Expressed landowner concern
	Landowner Accountability Program	<p>Purpose: Ensure Royalty and landowner concerns and grievances are addressed in a timely fashion and tracked to closure</p>	<p>Focus Areas: Royalty inquiries Address changes Ownership changes Property damage Environmental concerns Speed/traffic Noise/dust Road/gate/cattle guard</p>



Aethon in Action prioritizes:

- Social Investment
- Community Involvement
- Education & Culture
- Economic Development
- Wealth & Income Creation
- Health & Wellness
- Employment Creation
- Skills Development

CORPORATE COMMUNITY INVESTMENT

As a sustainable energy provider, Aethon's long-term success is directly tied to the progress, health and prosperity of the communities in which we operate. We believe that our engagement can make the most significant impact through strategic social and charitable investments to organizations dedicated to serving our communities. Aethon works closely with landowners and community groups throughout our operations to identify the causes and organizations where we can make a long-term, positive difference.

Part of our commitment to responsible natural gas development means enabling economic benefits in the local communities where our product is sourced. Aethon promotes local wealth and income creation by developing strategic commercial relationships with local businesses and suppliers, as well as providing education and training to develop local workforces.

In 2023, Aethon hosted our second annual non-profit fair at our corporate offices, inviting eight charitable organizations to meet with our team about the causes they represent. The majority of our Dallas-based team members continue

to participate in the event, which is designed to foster new relationships and opportunities for Aethon to support our communities.

EMPLOYEE INVOLVEMENT

Aethon seeks to support the most important causes to our employees. We offer a \$5,000 annual match for monetary contributions and volunteerism per employee, as well as a commitment to double-match any contributions made during our Double-Matching Month of September.

We continued to demonstrate strong levels of service and giving through Aethon in Action, our social impact program that empowers team members to donate time and/or money to the issues that matter to them. In 2023, over 35% of employees contributed through monetary donations or volunteering. Importantly, team members more than doubled their number of hours volunteered, contributing over 875 hours throughout the year.

Through our matching initiative, Aethon donated more than \$335,000 in our communities in 2023, with over \$115,000 in donations made directly by employees and over \$210,000 matched by the company.

Louisiana

Bienville Parish Fire District	\$15,955
Caddo Parish Fire District	\$21,500
South Bossier Parish Fire Department	\$12,253

Texas

Boys & Girls Club - Nacogdoches	\$10,000
Boys & Girls Club - San Augustine	\$8,000
East Texas Food Bank	\$10,000
Easterly Volunteer Fire Protection Association	\$1,000
Nacogdoches Boys Youth Baseball Association	\$750
San Augustine Care & Share	\$1,000
San Augustine County Junior Livestock & Fair Show	\$1,000
San Augustine Elementary Parent Teacher Organization	\$1,900
San Augustine Youth Football Program	\$1,000
Shelby County 4H/FFA	\$1,000

National

American Red Cross	\$10,000
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Appendix



UNGC PRINCIPLES, SDGS & STANDARDS

	UNGC Principles	SDGs	GRI Standards	GRI 11: Oil & Gas Sector Standards 2021	SASB Standards
About Aethon		17	2-1 ⁵	11.19.1	
Approach to Sustainability			2-2 ⁶ 2-3 ⁶ 2-22 ⁶ 2-23 ⁶ 2-24 ⁶ 3-1 ⁷ 3-2 ⁷		
Business Ethics & Enterprise Risk Management	1, 2, 4, 5, 6, 10	10, 11, 12	2-9 ⁶ 2-10 ⁶ 2-11 ⁶ 2-12 ⁶ 2-13 ⁶ 2-26 ⁶	11.19.2 11.20.4	Business Ethics & Transparency
Climate Change & Energy Transition	7, 8, 9	7, 13	305-1 ⁸ 305-2 ⁸	11.1.5 11.1.6 11.2.2 11.2.3	Greenhouse Gas Emissions
Environment	7, 8, 9	6, 12, 15	306-3 ⁹	11.5.4 11.8.2	Air Quality Water Management Biodiversity Impacts
Safety		3	403-1 ¹⁰ 403-2 ¹⁰ 403-3 ¹⁰ 403-4 ¹⁰ 403-5 ¹⁰ 403-6 ¹⁰ 403-9 ¹⁰	11.9.2 11.9.3 11.9.4 11.9.5 11.9.6 11.9.7 11.9.10	Workforce Health & Safety
Innovation	7, 9	7, 9, 13, 17		11.2.2 11.2.3	Greenhouse Gas Emissions Air Quality
People	6	4, 5, 8, 10	2-30 ⁶ 401-2 ¹¹ 404-2 ¹² 404-3 ¹² 405-1 ¹³	11.7.3 11.10.3 11.10.7 11.11.5	
Communities		1, 2, 4, 8, 10, 11	413-114	11.15.2	Community Relations
Appendix			2-56		

Footnotes

1. The UN Global Compact, The Ten Principles

2. The United Nations Department of Economic and Social Affairs Sustainable Development, The 17 Goals

3. The Global Reporting Initiative, The GRI Standards

4. GRI Standards, GRI 11: Oil & Gas Sector 2021

5. SASB Standard, Oil & Gas - Exploration & Production Standard

6. GRI Standards, GRI 2: General Disclosures 2021

7. GRI Standards, GRI 3: Material Topics 2021

8. GRI Standards, GRI 305: Emissions 2016

9. GRI Standards, GRI 306: Effluents and Waste 2016

10. GRI Standards, GRI 403: Occupational Health and Safety 2018

11. GRI Standards, GRI 401: Employment 2016

12. GRI Standards, GRI 404: Training and Education 2016

13. GRI Standards, GRI 405: Diversity and Equal Opportunity 2016

14. GRI Standards, GRI 413: Local Communities 2016

INDEPENDENT LIMITED ASSURANCE REPORT

Independent Limited Assurance Report to Aethon Energy Management LLC

ERM Certification & Verification Services Incorporated (“ERM CVS”) was engaged by Aethon Energy Management LLC (“Aethon”) to provide limited assurance in relation to the selected information set out below and presented in Aethon’s 2023 Sustainability Report (the “Report”).

Engagement Summary

Scope of our assurance engagement	<p>Whether the 2023 information for the specified indicators listed below are fairly presented in the Report, in all material respects, in accordance with the reporting criteria.</p> <p>Environmental Indicators</p> <ul style="list-style-type: none"> Scope 1 GHG emissions reportable under the EPA GHG reporting requirement [metric tons of CO₂e]¹ Scope 1 GHG emissions reportable under the EPA GHG reporting requirement intensity (by production) [metric tons CO₂e/production]² Scope 2 GHG emissions (location-based) [metric tons of CO₂e] Total fugitive methane leak emissions from equipment components [metric tons CO₂e] <p>Safety Indicators</p> <ul style="list-style-type: none"> Employee total recordable injury rate (TRIR) [recordable incidents per 200,000 hours worked] Contractor total recordable injury rate (TRIR) [recordable incidents per 200,000 hours worked] <p>Notes:</p> <ol style="list-style-type: none"> Scope 1 emissions only include sources required to report under the EPA’s Mandatory GHG Reporting Rule (40 CFR Part 98). We place reliance on the accuracy and completeness of the production data as provided by Aethon. <p>Our assurance engagement does not extend to information in respect of earlier periods or to any other information included in the Report.</p>
Reporting period	1 st January 2023 to 31 st December 2023
Reporting criteria	<ul style="list-style-type: none"> WBCSD/WRI GHG Protocol (2004, as updated January 2015) for Scope 2 GHG emissions EPA Mandatory GHG Reporting Rule (40 CFR part 98 Subpart W) for the Scope 1 GHG and fugitive methane leak emissions OSHA Injury and Illness Recordkeeping and Reporting definitions for TRIR
Assurance standard and level of assurance	<p>We performed a limited assurance engagement, in accordance with the International Standard on Assurance Engagements ISAE 3000 (Revised) ‘Assurance Engagements other than Audits or Reviews of Historical Financial Information’ issued by the International Auditing and Assurance Standards Board.</p> <p>The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for a reasonable assurance engagement and consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.</p>
Respective responsibilities	<p>Aethon is responsible for preparing the Report and for the collection and presentation of the information within it, and for the designing, implementing and maintaining of internal controls relevant to the preparation and presentation of the selected indicators.</p> <p>ERM CVS’ responsibility is to provide a conclusion to Aethon on the agreed scope based on our engagement terms with Aethon, the assurance activities performed and exercising our professional judgment.</p>

Our conclusion

Based on our activities, as described below, nothing has come to our attention to indicate that the 2023 data and information for the disclosures listed under ‘Scope’ above are not fairly presented in the Report, in all material respects, in accordance with the reporting criteria.

Our assurance activities

Considering the level of assurance and our assessment of the risk of material misstatement of the selected indicators for assurance, a multi-disciplinary team of sustainability and assurance specialists performed a range of procedures that included, but was not restricted to, the following:

- Evaluating the appropriateness of the reporting criteria for the indicators in scope;
- Interviewing management representatives responsible for managing the selected information;
- Interviewing relevant staff to understand and evaluate the management systems and processes (including internal review and control processes) used for collecting and reporting the selected disclosures;
- Reviewing a sample of qualitative and quantitative evidence supporting the reported information at a corporate level;
- Performing an analytical review of the year-end data submitted by all locations included in the consolidated 2023 group data for the selected disclosures which included testing the completeness and mathematical accuracy of conversions and calculations, and consolidation in line with the stated reporting boundary;
- Conducting a virtual visit to one Aethon production site in Texas, U.S.A. to review source data and local reporting systems and controls;
- Evaluating the conversion and emission factors and assumptions used; and
- Reviewing the presentation of information relevant to the scope of our work in the Report to ensure consistency with our findings.

Boundaries

The sites included in the data review are those required to report under EPA GHG reporting requirement (40 CFR part 98), which include operations in the following basins: Arkla-230, East Texas-260, Wind River-530.

The limitations of our engagement

The reliability of the assured information is subject to inherent uncertainties, given the available methods for determining, calculating or estimating the underlying information. It is important to understand our assurance conclusions in this context.

Our independence, integrity, and quality control

ERM CVS is an independent certification and verification body accredited by UKAS to ISO 17021:2015. Accordingly, we maintain a comprehensive system of quality control, including documented policies and procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements. Our quality management system is at least as demanding as the relevant sections of ISQM-1 and ISQM-2 (2022).

ERM CVS applies a Code of Conduct and related policies to ensure that its employees maintain integrity, objectivity, professional competence, and high ethical standards in their work. Our processes are designed and implemented to ensure that the work we undertake is objective, impartial, and free from bias and conflict of interest. Our certified management system covers independence and ethical requirements that are at least as demanding as the relevant sections of the IESBA Code relating to assurance engagements.

ERM CVS has extensive experience in conducting assurance on environmental, social, ethical, health and safety information, systems and processes, and provides no consultancy related services to Aethon in any respect.



September 13, 2024
Malvern, PA

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