Corporate Responsibility 2018
PRECISION DRILLING CORPORATION
2018 OVERVIEW

As an energy industry leader, we maintain the highest ethical standards and operate with great care in the communities where we live and work. We are committed to generating profit in an ethical way. Corporate Responsibility is an integral part of Precision’s culture, vision, mission and strategy.

100% Ethics hotline issues reviewed and addressed

28% TRIR1 decreased from 2017

2.1% Triple Target Zero1 Days increased

• Validated and tested our global emergency preparedness plans

• Formalized Precision’s ESG practices into it’s Corporate Responsibility program

• Created PD University to centralize Precision’s learning and development resources

NOTES: (1) See definition of TRIR and Triple Target Zero Days in the Health, Safety and Environment section on page 4.
ETHICS

We believe ethical behavior is fundamental to the way we do business. Our Code of Business Conduct and Ethics (the Code) ensures every director, executive officer, employee and contractor represents Precision’s values. The Board is responsible to approve material disclosures and the Code of Business Conduct and Ethics. Our full Code of Business Conduct and Ethics policy is available on www.precisiondrilling.com.

We have a robust, proven corporate governance system that is effective in ensuring a transparent culture. It allows for ethics issues to be reported, assessed and resolved in a timely manner.

This system employs a strong body of policies, enforcement mechanisms and a closed-loop resolution process of each and every ethical issue reported.

THE CODE ADDRESSES THE FOLLOWING KEY AREAS:

• Financial Reporting and Accountability
• Safeguarding Corporate Assets
• Anti-Retaliation
• Maintaining Confidentiality
• Reporting Illegal or Unethical Behavior
• Data and Privacy Security
• Avoiding Conflicts of Interest
• Fair Dealing
• Bribery and Corruption
• Complying with Laws
• Disclosure
• Harassment and Discrimination
ANTI-BRIBERY AND ANTI-CORRUPTION

Precision has an Anti-Bribery and Anti-Corruption Policy that sets out the Corporation’s standards for detecting and preventing corruption.

ETHICS POINT HOTLINE

Precision has a hotline available for anyone within and outside of the Corporation to report, confidentially and anonymously, any suspected illegal conduct or breach of policies.

AVOIDING CONFLICTS OF INTEREST

The Board is committed to making all decisions in the best interests of Precision and considers the interests of our shareholders, customers, employees, suppliers, communities where we operate, the environment, governments, regulators and the general public.

Our employees, officers, and directors are also required to disclose any actual or potential conflicts of interest. The conflicts disclosed are reviewed by our Audit and Compliance departments until they are resolved to Management’s satisfaction.
HEATH, SAFETY, AND ENVIRONMENT

The health and safety of our employees is a core value at Precision, and daily we work to set the standard for safety in our industry. We know that by investing in state-of-the-art technologies, maintaining clean and tidy work sites, and doing our job the right way, we are protecting our people, the environment, our customers and our neighbors.

Our Global Quality, Health, Safety, and Environmental Management System is strongly integrated into our culture to help ensure our practices are consistent throughout our operations. We also have a Safety and Corporate Responsibility Council that assists our Board of Directors in fulfilling its role of overseeing these functions by reviewing, reporting and making recommendations on our policies, standards and practices.

Precision fosters our safety culture through strong leadership, technical and compliance training, and proven support systems. Everyday, we invest in our employees to prepare them for any and every situation on the rig. Our Technical Support Centre training facilities are located in Houston, Texas and Nisku, Alberta where more than 6,100 employees were trained in 2018 on Precision’s culture, rig personnel and responsibilities, tools and equipment, safety and environmental protocol and procedures, leadership, and team-building.

Precision commits to operating in a way that reduces our impact on the environment. We strive to minimize potentially negative environmental impacts by:

- Using bi-fuel systems
- Using natural gas engines
- Working with operators on solutions to mitigate noise population in and around highly populated areas
- Using industry best practice processes to ensure spill prevention
- Enhancing drilling technologies to focus on improved drilling efficiencies, allowing us to drill wells faster and move in and out of a location sooner. Part of this improved technology includes our investments in leading the industry with Process Automation Control
PERFORMANCE INDICATORS

We have bold Health, Safety, and Environment goals devoted to achieving what we call Triple Target Zero Days, our internal scorecard that recognizes injury-free performance, safe driving behavior and zero spills that could impact the environment. Precision had an improvement in our Total Recordable Incident Rate (TRIR), an industry standard metric for safety performance and benchmarking; however, every year we strive to achieve better results.

<table>
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<tr>
<th>Performance Indicators 2017 2018 % Change</th>
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<tr>
<td>Total Recordable Incident Rate (TRIR)</td>
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<td>Our TRIR improved by 29% from 2017 to 2018</td>
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<td>Triple Target Zero Days*</td>
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*The number of Triple Target Zero Days (injury free, safe driving, zero spills) improved from 2017 to 2018.
OUR HSE MANAGEMENT SYSTEM AT WORK

In 2017, we formed a Hand Injury Prevention Committee. The Committee created and implemented a hand injury prevention plan, including an awareness campaign, which resulted in a decrease in recordable hand injuries in 2018. The successful tactics of this initiative are now being integrated into normal business procedures.

EMERGENCY PREPAREDNESS

Precision continuously improves our plans and procedures to be prepared in case an emergency occurs. We conduct global training and tabletop drills to prepare our employees and the leadership team for various emergency scenarios.
TALENT MANAGEMENT

Precision invests in our people and we strive to have highperformers throughout every level of our company. We implement systems and processes that help us execute our talent management strategy to maintain a well-trained, competent, highly capable talent pool with a broad range of business experience throughout market cycles.

Our talent management strategy enables Precision to:

- Retain experienced field personnel during market cycles
- Support targeted recruitment initiatives
- Reward the achievement of our short-term and long-term strategic objectives

Precision hosts a robust annual summer internship program. In 2018, Precision hosted 66 interns from 24 universities working throughout 19 departments in Canada and the U.S. We believe our summer internship program provides an important talent pool for our permanent hires and provides participants with practical experience in the oil and gas industry that cannot be obtained in the classroom.

School of Toughnecks
We provide hands-on field and safety training. In addition, we provide career path and development training for our drilling and service rig employees, which includes core competencies for advancement in all levels of our organization.

School of Leadership
We have also developed and implemented a New Leader Training Program, a Management Development Program, and a Leadership Development Program for new and experienced leaders to hone and expand their management and leadership skills.

PD University
In 2018, we created PD University, an online hub where employees can access training resources through our new centralized learning and development resources.
DIVERSITY

We believe in building a team of exceptional employees who bring a wide range of ideas, perspectives, skills and cultures to our company. Precision has made a commitment to be a workplace free from discrimination, harassment, workplace violence and retaliation.

Our diversity policy prohibits discrimination of any kind and promotes diversity and inclusivity among our employees, management team and board members.

BOARD DIVERSITY

When recruiting new directors, the Corporate Governance, Nominating and Risk Committee (CGNRC) considers candidates on merit.

It considers our vision and business strategy, the skills and competencies of the current directors, any gaps in Board skills, and the attributes, knowledge and experience new directors should have to best enhance our business plan and strategies. The CGNRC also considers diversity as part of this process, including the level of female representation on the Board.
Increased diversity at the management level is essential to maintaining our competitive advantage and is a factor in managing our talent pool and making strategic hires. The executive leadership team reviews the talent pool regularly and considers the individual’s development, industry experience, background, race, gender and other factors before recommending management appointments to the Board for approval.

The human resources department reviews the structure, size and composition of our workforce annually and prepares a report for the Chief Administrative Officer and the President and Chief Executive Officer. Similarly, the executive leadership team meets regularly to assess its optimum composition, and annually provides a report to the CGNRC.
COMMUNITY

PHILANTHROPY & ENGAGEMENT

We are proud to invest in causes that are important to our employees, customers, and communities where we work. Through Precision’s corporate giving program, we contribute to a number of exceptional health and human services organizations and youth programs throughout the United States, Canada and locations where we have international operations.

One of our proudest partnership in the history of our business has been with the STARS Foundation, which operates emergency air ambulances in Canada. Since 1991, we have supported STARS, and have maintained our contribution and involvement through economic downturns.

PUBLIC POLICY & LOBBYING

Precision is politically neutral and does not engage in political activities or make political contributions. We may not use company funds or assets for political purposes.
We welcome engagement with our stakeholders on our Corporate Responsibility disclosures.

Please contact us at investorrelations@precisiondrilling.com with your feedback.