

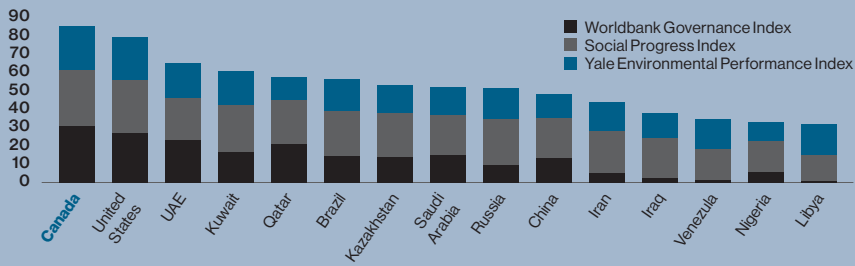
ESG

Canadian Energy Centre
canadianenergycentre.ca

Canada is recognized as a global leader on **Environmental, Social and Governance (ESG)** in oil and gas, ahead of the curve compared to competing jurisdictions.

This leadership benefits the environment and improves the cost competitiveness of Canadian oil and gas companies.

Canada continues to rank **#1** for ESG practices among the world's top oil reserves holders.



Source: Yale Environmental Performance Index (EPI); Social Progress Imperative; World Bank Governance Indicators, BMO Capital Markets.

Water Use

Water recycling rates among **oil sands companies** averaged **82%** in 2019 (87% for SAGD).

(Source: 2021 BMO Capital Markets ESG Report)

In situ oil sands **net consumption of fresh water** decreased by nearly **70%** from 2009-2019.

(Source: BMO)



Tailings

Billions of investment in tailings tech is bringing results. Suncor Energy has **reduced its Base Plant tailings inventory** by more than **10%** since 2010.

(Source: AER)

Pipelines

In 2019 pipelines in Canada safely delivered more than **5.6 trillion cubic feet of natural gas** and **1.7 billion barrels of crude oil**.

(Source: CEPA)

Alberta pipeline incidents (leaks, hits, ruptures) **decreased** by **40%** from 2012-2020.

(Source: AER)

Footprint

The land area currently disturbed by oil sands mining makes up just **0.01%** of **Canada's boreal forest**.

(Source: Government of Canada)



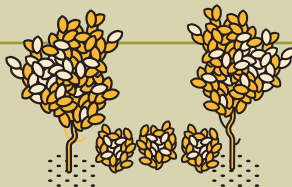
More than half of **Canadian tight oil drilling** uses multi-well pads, reducing per-well footprint from **4 acres to 1 acre**. (4 football fields to one football field).

(Source: BMO)

Reclamation

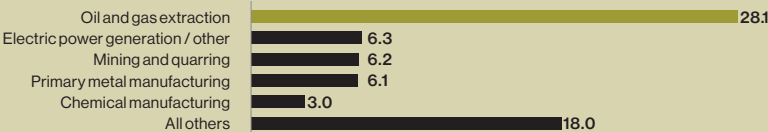
30 million trees and shrubs have been planted by **top oil sands producers** to date in reforestation efforts.

(Source: BMO)



Environmental Protection Spending

Canada's oil and gas companies **spend more on environmental protection** than any other sector (**\$28.1 billion** from 2006 – 2018).



Source: Canadian Energy Centre

Emissions

>90% of future **oil sands emissions** will be capturable via CCUS.

(Source: BMO)

Oil sands emissions intensity **decreased** by **27%** since 2013.

(Source: BMO)

Canada has the **world's 3rd largest** installed carbon capture, utilization, and storage (**CCUS**) capacity.

(Source: BMO)

R&D

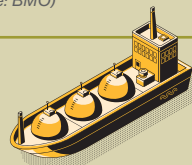
Oil and gas companies spend more on **energy cleantech R&D** than any other sector in **Canada**.

Source: Research Infosource Inc.

LNG

Exporting Canadian LNG for use in power generation instead of coal in China could reduce emissions by up to **62%**.

(Source: Journal for Cleaner Production)



Indigenous Ownership and Engagement

Oil sands producers have spent **\$15 billion** with **Indigenous businesses** since 2012.

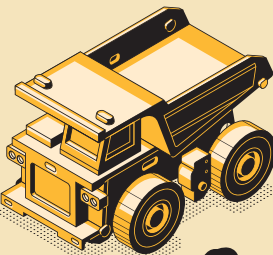
(Source: BMO)

Largest investment to date is **Fort McKay and Mikisew Cree First Nations' 49% ownership interest** in the East Tank Farm at Suncor's Fort Hills Mine.

(Source: BMO)

Trans Mountain has signed **66 agreements** with **73 Indigenous groups** in BC and Alberta that represent **>\$550 million** in benefits and opportunities for communities.

Source: Trans Mountain



Jobs

The oil and gas sector **directly and indirectly employed** approximately **599,000 people** across Canada in 2019.

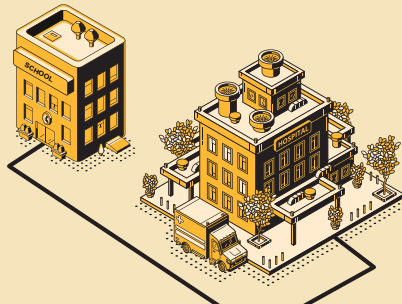
(Source: Natural Resources Canada)



GDP

Canada's oil and gas sector contributed **\$493 billion** to **federal, provincial, and municipal governments** from 2000-2018.

(Source: Statistics Canada)



Board Composition

Boards of oil sands producers are **highly diverse and independent** compared to the broader energy sector with **75%** independent directors.

(Source: BMO)

Female Workforce

Suncor leads the industry (30% average) with **36% female representation** on boards, compared to a **24% average** among senior US producers

(Source: Suncor)



Regulatory Compliance

Canada ranks **#1** in regulatory effectiveness amongst the **world's top 15 reserve holders**.

(Source: World Bank)

9,048 operating wells, facilities, and pipelines were inspected by the AER in 2020 to ensure licensees are **following requirements**.

(Source: AER 20/21 Annual Report)

\$60.9 million was spent in 2020 to reclaim well sites in Alberta under the voluntary **Area-Based Closure program**, a collaborative industry effort to reclaim decommissioned energy infrastructure and sites.

(Source: AER 20/21 Annual report)



Industry Collaboration

The **level of industry cooperation** amongst Canadian producers in driving the improvement of environmental performance is **unique** within the global oil business. (Source: BMO)



Incentives

Performance of ESG metrics accounted for **15.1%** of Canadian oil sands producers' **executive incentive pay consideration** in 2020.

(Source: BMO)