

Report on Sustainability 2022







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📃 Our approach

To live Suncor's purpose of providing trusted energy that enhances people's lives while caring for each other and the Earth, our corporate strategy focuses on sustainable energy development, long-term thinking and becoming a net-zero company by 2050.

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Message from our President and Chief Executive Officer



In this, our 27th Report on Sustainability, we share how through our strategy we are taking action as an energy company to drive sustainability performance and resiliency for the long term – enabled by technology, collaboration and expanding lines of business – and guided by our purpose.

As we write this report, global events are reminding us of the importance of secure, reliable energy from a trusted source. For Suncor, meeting the world's energy needs and demonstrating strong environmental and social performance – through sound, transparent governance ("ESG") – go hand in hand. As a result, we are unwavering in our commitment to be an ESG leader.

Translating ambition into action

Key objectives of Suncor's strategy are optimizing our base business while reducing costs and carbon emissions and expanding current businesses with low greenhouse gas (GHG) emissions, namely renewable fuels, low-carbon power and hydrogen. A strong base business, paired with our expertise, enables us to invest in energy efficiency, fuel-switching and carbonreduction initiatives to help us become a net-zero GHG emissions company by 2050.

Some of the actions we are taking to achieve these strategic objectives include replacing coke-fired boilers at Base Plant with significantly lower-emission cogeneration units; accelerating commercial scale deployment of carbon capture technology; partnering with ATCO to explore a world-scale hydrogen project in Alberta; and developing next generation renewable fuel technologies such as LanzaJet's sustainable aviation fuel technology and Enerkem's waste-to-fuels technology. We're also providing consumers with choices to reduce their own carbon emissions through renewable fuels or electric charging stations on Canada's Electric Highway[™]. Combined, these initiatives help reduce our emissions – and help others reduce theirs – while satisfying growing energy needs.

™ Trademark of Suncor Energy Inc.

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As an oil producer working to create economic, environmental and social opportunities to drive our company, communities, and customers forward, the need to connect long-term ambition with action is more urgent than ever.

Mark Little President and Chief Executive Officer Our approach

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Message from our President and Chief Executive Officer

I am also very proud to help lead industry in its work to advance shared performance ambitions through collaboration. We're taking unprecedented actions to galvanize industry efforts to reduce emissions by working with peers in the Pathways Alliance and with governments in a shared commitment to co-invest and accelerate progress. Together, these actions will help the Pathways Alliance steward emission reductions that demonstrate to the world what can be accomplished when those working in the same resource basin band together around a common net-zero cause.

Looking at other aspects of environmental performance, we've made progress in key areas such as tailings and water use. We continue to treat tailings volumes at Base Plant and have reduced our total fluid tailings by 15% since 2010 through our holistic tailings management approach and permanent aquatic storage structure treatment process. Additionally, our water recycle rates are above 90% at Base Plant, Fort Hills and our in situ operations.

Caring for people

Our operations have changed in the past five years, from the start-up of Fort Hills in 2018 to becoming operator of Syncrude in 2021. As our workforce and assets have grown, our focused approach to safety, as well as our processes and systems, continue to evolve. In the past, we have treated all incidents as preventable. We recognize incidents can and do happen. That's why we've expanded our focus to include not only preventing serious events and learning from errors but also to having controls in place to prevent worst-case scenarios when incidents happen. Doing this effectively requires us to engage and learn with those closest to the work to find practical solutions and fail-safe measures. We continuously strive to improve our operational excellence as part of our efforts to keep people safe. A fatality at our Oil Sands Base Plant early this year underscores the vital importance of this work.

To strengthen operational excellence and safety performance, we realigned the organization in 2021 to conform with global best practices. The resulting insights prompted us to make key changes to strengthen our processes and to restructure our senior leadership to include more people with deep operational experience on the executive team.

A safe workplace is also an inclusive one where people feel inspired, trusted and supported so they can be, and bring, their best. We are thrilled to be recognized as one of Canada's Best Diversity Employers for 2021 and 2022. This reflects progressively more women in leadership positions, with approximately one-third of our executive and management team being female. It also highlights the work of our Inclusion & Diversity (I&D) Council who set and champion our I&D strategy, which includes our eight employeeinclusion networks.

Inclusion also extends to the way we engage with communities. A partnership we formed this past year is Astisiy, a historic collaboration between eight Indigenous communities and Suncor in the Regional Municipality of Wood Buffalo. Astisiy acquired a 15% stake in the Northern Courier Pipeline. The pipeline, which connects the Fort Hills asset to Suncor's East Tank Farm asset, is now operated by Suncor. The investment and agreement, unprecedented in this industry, is the result of deep collaboration among all partners. It is expected to provide long-term, stable revenues that will benefit the communities for decades to come.

Stronger together

This report shows what we have achieved – and where we need to do better. We are committed to openly and transparently disclosing our achievements, challenges and progress. New to our sustainability disclosure in 2022 is the expansion of Syncrude sustainability information as Suncor assumed operatorship at the end of 2021. We continue to learn and benefit from Syncrude's ESG efforts over the years with Indigenous communities, the building of an inclusive workforce and an unwavering commitment to innovation.

Collaborating and co-investing with industry peers, governments and innovators; partnering with communities; and learning from one another reminds us that we can go further when we work together. I firmly believe leadership and progress cannot flourish in isolation. It is incumbent on business and governments to apply shared prosperity to accelerating progress toward the future we all want. Because when Canada's energy industry succeeds – on all measures of performance – so does our nation.

Mark Little President and Chief Executive Officer

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Appendix

Q&A with our Chief Sustainability Officer

You were recently appointed Suncor's Chief Sustainability Officer and a Chief Climate Officer role was created. Why did Suncor make this change and what will this achieve?

We doubled up on senior leadership in this area because climate is core to our strategy. If you look at the six strategic objectives that underpin our strategy, climate shows up in five of them, so it's huge for us. Being a part of the solution is crucial for us through the energy transition.

And this was a fortunate sequence of events for me. I learned so much in my previous decade working in the sustainability world. It profoundly influenced who I am, so it's exciting to be a part of that again and to work with a great team within the Chief Sustainability Office. I'm also looking forward to working more closely with Martha Hall Findlay in her role as Chief Climate Officer.

But this isn't just about one or two people. We've cared about climate change and improving our sustainability performance across the organization for decades, and this focus and perspective is embedded in the business and our strategy. We have fantastic employees who are committed to making a difference because they believe in our purpose – *to provide trusted energy that enhances people's lives while caring for each other and the Earth.* I want to do everything I can to support them.

You previously served as Suncor's Vice President for Sustainability and Communications. What do you see as the most significant change since that time?

The world around us is shifting and there are two important areas that come to mind. The first is about reconciliation and relationships with Indigenous Peoples. The uncovering of unmarked children's graves near former residential schools, as difficult as that is, is forcing us as Canadians to have different conversations and focus on the 94 calls to actions in the report of the Truth and Reconciliation Commission of Canada.

What does that mean for Suncor? It's a side-by-side walk with Indigenous Peoples in this country so we can find ways to align our interests. We also need to ask what we need to do, as non-Indigenous Canadians, to further reconciliation.

The second area is climate. It's urgent and we need to do more. There's also more willingness to collaborate to find solutions. The Pathways Alliance, an initiative of six companies representing 95% of Canada's oil sands production, has pledged to reduce their GHG emissions to net zero by 2050, which is a great example. There's a real focus on what we need to do collectively to provide the energy people need today while addressing the challenges of climate change.

Q&A with our Chief Sustainability Officer

What do you see as your biggest priority in the years ahead?

One of the Cree words I learned when I visited the Samson Cree Nation was *Wahkohtowin*, which describes the interconnection between people and natural systems. Whether it is water, emissions or reclamation, we can't just separate sustainability into numbered silos. We must consider the natural system as a whole, which includes our reliance on it and our relationship with it. This principle should inform how we view sustainability performance.

Water, as an example, is very important to Indigenous communities, Canadians and Suncor. This is an area where we have made significant progress. Water is more than just a commodity. It holds a deep, spiritual meaning for Indigenous Peoples. This is an area where we must listen, understand and take action. I want to contribute to that process in a meaningful way.

In addition to listening to Indigenous communities, Suncor is expanding its partnerships and work with Indigenous businesses. Why is that important?

You'll see a lot of numbers documented in this report, whether it's how much money we've spent with Indigenous-owned businesses or the number of agreements we've signed with First Nations. Those are metrics that tell us how well we are meeting our commitment to ensuring Indigenous communities benefit in meaningful ways from resource development. We're proud of our partnerships, which include Thebacha, our partnership on the East Tank Farm; the Astisiy partnership with eight Indigenous communities, including five Métis communities in the Regional Municipality of Wood Buffalo, who have a 15% equity interest in the Northern Courier pipeline; and the partnership with the James Bay Cree in the PetroNor distribution network in northern Quebec. We also have more than 61 Petro-Canada[™] retail and wholesale marketing agreements with Indigenous communities across this country.

Setting targets and reporting metrics is important, but we also acknowledge this is a continual journey that has no end. Ultimately, this work is about people and building relationships, so we want to measure progress in a holistic way that includes numerical metrics as well as acknowledging the value of meaningful partnerships. Building on the oral tradition of Indigenous people, we can also draw on storytelling to help us understand the impact of this work.

We'll continue to look for more partnerships. I don't know what or where they will be, but I do know we'll approach these opportunities openly without preconceived notions.

What sustainability opportunities do you see now that Suncor is the operator for Syncrude?

The integration with Syncrude was a significant milestone for us in 2021. It's lifted both organizations. We are continuing to learn from each other and that's going to make us stronger. Syncrude has done an amazing job in the sustainability area. Ten per cent of Syncrude's employees are Indigenous, which is tremendous. Syncrude also has a proven track record with researching and developing new technologies. Both Syncrude and Suncor have a deep history of improving operations, which presents a huge opportunity to take the best from both worlds and further our progress on key issues that matter. It's an exciting journey and I'm glad to be a part of it. I love to come to the office every morning because I get to work on these important challenges with a great team of people.

🛄 Governance

Syncrude integration

Syncrude overview

On September 30, 2021, Suncor assumed operatorship of the Syncrude Joint Venture Project. This key milestone was a critical step in Suncor's journey towards greater efficiencies and competitiveness across all our oil sands assets. Operatorship enables stronger regional integration and unlocks important synergies to drive progress in many key sustainability areas, such as greenhouse gas emissions, tailings and water management, land reclamation, health and safety, and value for local communities.

Suncor and Syncrude are the original oil sands pioneers and have been at the forefront of the industry's evolution for more than 50 years. The origins of Syncrude began in 1964 with the incorporation of Syncrude Canada Ltd. and then the establishment of the joint venture in 1965. Operations at the Mildred Lake site north of Fort McMurray began in 1978 and cumulative production now exceeds three billion barrels. In addition to the operatorship of Syncrude, Suncor holds a 58.74% ownership interest.

The Syncrude production process incorporates oil sands surface mining, followed by bitumen extraction, and then upgrading that bitumen into a high-quality, light, sweet crude oil through fluid coking, hydroprocessing, hydrotreating and re-blending. The final product, Syncrude Sweet Premium, is sent by pipeline to Edmonton-area refineries and to pipeline terminals, where it is shipped to refineries in Canada and the United States.

Syncrude has a track record of strong sustainability performance. This includes relationships forged through more than 45 years of Indigenous engagement within the Regional Municipality of Wood Buffalo. The operation has one of the highest Indigenous workforce representations in Canada, with more than 10% of employees self-identifying as Indigenous. Its cumulative procurement with Indigenous-owned businesses totals \$5.7 billion. Syncrude has also been certified eight times at the Gold Level of the Progressive Aboriginal Relations program of the Canadian Council for Aboriginal Business.

One of the largest operations in Canada's oil sands, Syncrude has demonstrated strong progress in restoring areas disturbed by mining activities. So far, more than 5,050 hectares of land have been permanently reclaimed, with around 12 million tree and shrub seedlings planted. In 2008, Syncrude was the first oil sands operator to receive reclamation certification for an area planted in the early 1980s.

Syncrude has a long-standing commitment to research and development. Syncrude has invested more than \$1.5 billion to date on research and development and ranks among the top investors in innovation in Canada. This expertise has translated into meaningful results, including the deployment of more than

\$3 billion in technologies during the last decade alone to reduce and treat tailings for use in constructing reclamation landscapes.

Syncrude also shares Suncor's strong focus on safety, reliability and operational excellence. As a long-standing participant in the Mining Association of Canada's Towards Sustainable Mining program, the organization is regularly assessed on its performance related to key environmental and social risks, including such critical issues as tailings, climate, and health and safety. We anticipate that the integration of Suncor and Syncrude operations will build on our collective strength in all areas of sustainability and lead to further improvements and benefits for our workforce, facilities, communities and stakeholders.

Syncrude has disclosed its sustainability performance in reports for more than 30 years. In this report, key indicators from Syncrude are highlighted throughout the content. To provide an indication of past performance, historical data is included within the 2022 sustainability performance data document. As Suncor's operatorship of Syncrude came into effect at the end of the third quarter in 2021, Syncrude data is not integrated into Suncor's corporate-wide totals. The only exceptions are GHG and community investment data, which is represented as Suncor's equity share and consistent with previous reports, and workforce and diversity data, which is fully integrated.*

Integrating Syncrude data into Suncor's reporting systems and processes is a significant undertaking. This work is occurring throughout 2022 and Syncrude performance will be fully incorporated into Suncor's data in next year's report.

* For additional information on Syncrude data integration, refer to About our report in the Appendix.

2021 ESG highlights

Our purpose

To provide trusted energy that enhances people's lives, while caring for each other and the Earth.

Our strategy

To be Canada's leading energy company by growing our business in low greenhouse gas (GHG) fuels, electricity and hydrogen while sustaining and optimizing our existing hydrocarbon business and transforming our GHG footprint; all enabled by our expertise, long-life resources, integrated business model, strong connection to customers, and world-class environment, social and governance (ESG) performance.

Our objectives

- Grow returns on capital
- Be net zero by 2050
- Optimize our base business
- Expand low emissions businesses
- Grow our customer connection
- Achieve world-class ESG performance

- 195 million barrels of oil equivalent of upstream production
- 343 million litres produced at Canada's largest ethanol facility
- 157 million barrels of oil equivalent of refining throughput
- 23 million MWh of electricity from low-carbon cogen power generation
- 114,009 MWh of wind energy generated
- 57 Petro-Canada[™] stations forming Canada's Electric Highway[™] – a coast-to-coast electric vehicle (EV) fast-charging network
- 1.5 billion litres of renewable fuels blended
- \$565 million in technology development, deployment and digitalization transformation
- ~15% of Canada's produced hydrogen supply

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2021 ESG highlights

Environment

GHG

- 21.6 megatonnes CO₂e absolute GHG scope 1 and 2 emissions (operational basis)
- 28.5 megatonnes CO₂e absolute GHG scope 1 and 2 emissions (equity basis)
- Pathways Alliance representing 95% of Canada's oil sands production is formed and sets net-zero ambition
- Objective to be a net-zero GHG emissions company by 2050
- Interim target of 10 Mt by 2030 across our value chain

Water

- 33.2 million m³ freshwater consumption
- >90% water recycle rate at Base Plant, Fort Hills and in situ facilities

Land

- 2,878 cumulative hectares reclaimed
- 5,053 cumulative hectares reclaimed at Syncrude

Tailings

- 1 surface reclaimed and 2 tailings ponds advancing to closure
- 15% reduction in fluid tailings inventories at Base Plant since 2010

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Safety

- Largest annual maintenance
 program in company history
- Interventions made to strengthen safety performance

Workforce*

• 17,433 Suncor and Syncrude employees

Inclusion and diversity*

- 55% increase in Indigenous representation
- 22% female representation (29% management)
- Improved results in the 2021 Great Place to Work[®] employee survey

Learning and development

• \$19.5 million spent on training and development

Community investment

- \$36 million in community investments
- 79,578 hours volunteered by Suncor employees in their local communities

Indigenous relations

- 85% employee completion of Indigenous web-based training
- 61 Petro-Canada™ arrangements with Indigenous communities
- Astisiy partnership formed with 8 Indigenous communities

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Supply chain

- 5,268 vendors
- \$9.5 billion spent on goods and services
- \$1.47 billion spent with Indigenous businesses

Economic

- \$2.38 billion distributed to shareholders through dividends
- \$1.47 billion in royalties and taxes paid
- \$3.90 billion spent on employee salaries, benefits and share-based compensation
- \$2.30 billion in share buybacks

Corporate governance

- 36% female representation on the board
- Indigenous representation on the board since 2000
- Carbon continues to be a principal risk with full board oversight
- Climate performance share units introduced in 2022 to more directly link compensation to Suncor's climate-related goal of net-zero emissions

All data and information represented is from 2021 unless otherwise stated.

^{*} Syncrude data is not integrated into Suncor's corporate-wide totals. The only exceptions are GHG and community investment data, which is represented as Suncor's equity share, and workforce and diversity data, which is fully integrated.

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Transformation

Addressing climate change while providing low-emission sources of energy the world needs is a major challenge. It will require innovation across all parts of the energy system, from technology development and deployment and enabling infrastructure, to innovations in information technology, policy frameworks and more. All these pathways are required to transform our existing business as well as expand our sustainable energy offerings.

One of our strategic objectives is to optimize our base business, using technology and innovation to reduce costs and carbon emissions. In 2021, we invested approximately \$565 million in technology development, deployment and digitalization transformation. We also invest in energy expansion projects – such as cogeneration, hydrogen and renewable fuels – to address climate change and provide low-emission sources of energy. We plan to allocate approximately 10% of our annual capital budget over the medium term (2022-2025) on investments that advance our low-carbon energy offerings.

Digitalization

We're introducing digital tools, standardizing processes and applying advanced analytics to improve our business performance. Gathering and analyzing multiple data points and applying insights help us to run our operations more safely, reliably and profitably while reducing costs and environmental impacts.

Strategic partnerships and investments

Suncor monitors global technology development to determine if, and when, an investment or partnership makes sense to advance and adapt our business. Sometimes we seek out these companies. Other times they contact us directly through our technologyproposal portal. Where appropriate, and if aligned with our strategy, we may invest directly in a company or indirectly through a cleantech venture capital firm. We may also commit to be the first customer when technology ideas align with the needs of our operations or businesses. In addition to financial support, there are instances when we offer our technical expertise through formal roles or secondment positions with partner companies.

This type of technology development is carefully managed to ensure it provides economic and environmental benefits to Suncor. Our approach to strategic partnerships and collaborations is a key strategy in a world of fast-changing products and services.

Enerkem

Enerkem is a waste-to-renewable fuels and chemicals technology developer and producer. In addition to direct investments, we have seconded employees to Enerkem projects to provide operational support and increase operational discipline based on Suncor's extensive experience. In 2020, Enerkem, Suncor and other partners announced construction plans for the Varennes Carbon Recycling facility in Quebec that will convert non-recyclable residual materials, as well as wood waste, into advanced biofuels and renewable chemicals. The facility is currently in the engineering development and early construction phase.

Evok Innovations

Launched in 2016 through a partnership between Suncor, Cenovus Energy and the BC Cleantech CEO Alliance, Evok's inaugural \$100 million fund aimed to accelerate the development of critical energy-transition technologies across North America. Through the partnership, Evok invests in a global portfolio of innovative companies to address the most pressing and environmental challenges of the oil and gas industry. An important feature of Evok is the access provided to the end customers (Suncor and Cenovus) at an early stage in the life of the startup companies. The fund has made 16 investments in critical decarbonization technologies ranging from clean hydrogen and carbon-to-value to long-duration energy storage. Suncor announced a further investment in 2022 for a second cleantech fund with Evok, focused on industrial companies working on decarbonization technologies. Along with additional funders, the \$376 million fund will target early-stage investments across North America in key industrial decarbonization verticals, including carbon capture use and storage, low-carbon fuels, clean energy and grid innovations, mobility, advanced materials and circularity.

LanzaTech

LanzaTech's carbon-recycling platform uses novel gas fermentation technology to convert carbon-rich off-gas or waste into fuels and chemicals. Suncor has partnered with LanzaTech for more than 10 years to support the development of their patented technology portfolio for potential deployment within our existing operations as well as next-generation biofuel plants.

LanzaJet Inc.

LanzaJet Inc. (LanzaJet) will produce sustainable aviation fuel and renewable diesel using ethanol derived from waste streams. Suncor is a founding investor of LanzaJet alongside Mitsui & Co. and LanzaTech Shell and British Airways (International Airlines Group) also invested in LanzaJet in 2021. These investments will help build LanzaJet's commercial biorefinery in Georgia, U.S., and establish LanzaJet as a global leader in renewable fuels production for the aviation sector.

Transformation

Svante Inc.

Suncor invested in Vancouver-based <u>Svante</u>, a carbon-capture technology company, in early 2021. With support from Suncor and other companies, Svante is accelerating the commercial deployment of its technology to capture CO_2 from heavy-emitting industries, such as cement, steel, and oil and gas production, at a lower cost than current methods.

Collaboration and engagement

Achieving leading environmental, social and governance (ESG) performance is no small feat and requires deep collaboration and investment in innovation and technology. The path forward requires significant collaboration between industry, academia and governments. Because we all have a role to play in the energy transition, Suncor is actively collaborating with different organizations to share knowledge and accelerate our industry forward. These include:

Canada's Oil Sands Innovation Alliance

Suncor is a founding member of <u>Canada's Oil Sands Innovation</u> <u>Alliance</u> (COSIA), an alliance of oil sands producers focused on accelerating the pace of improvement in environmental performance in Canada's oil sands. By focusing on the environmental areas of greenhouse gases (GHG), land, tailings, water and monitoring, COSIA brings resources and people together to address specific environmental challenges and shorten innovation timelines across the oil sands industry. Suncor participates in many technology studies and joint industry projects. To date, COSIA's combined efforts have resulted in more than 1,100 environmental innovations valued at approximately \$1.8 billion.

Pathways Alliance

In 2021, Suncor and five other oil sands producers – Canadian Natural, Cenovus Energy, ConocoPhillips, Imperial and MEG Energy – launched the <u>Oil Sands Pathways to Net Zero Alliance</u>, which operates facilities representing 95% of Canada's oil sands production.

In June 2022, three existing industry groups, including the Oil Sands Pathways to Net Zero Alliance, came together into a single organization called the Pathways Alliance. The new organization incorporates the Oil Sands Pathways to Net Zero Alliance, Canada's Oil Sands Innovation Alliance (COSIA), created in 2012, and the Oil Sands Community Alliance (OSCA), created in 2013. This new organization will enable a super-sizing of industry's collaborative efforts, including the Pathways Alliance's ambitious plan to achieve net zero GHG emissions by 2050, along with COSIA's environmental innovation work focused on reducing industry's impacts to air, water and land while accelerating tailings reclamation, and OSCA's important work with communities near oil sands operations related to areas of socioeconomics. This new organization builds on 10 years of collaborative success within COSIA and adds industry's significant efforts to reach net-zero. It also builds on OSCA's long-standing commitment of being a collaborative partner in the community to help manage socioeconomic impacts and benefits.

Pathways Alliance

Clean Resource Innovation Network

Suncor is a leading member of the <u>Clean Resource Innovation</u> <u>Network</u> (CRIN), a pan-Canadian network focused on ensuring Canada's energy resources can be sustainably developed and integrated into the global energy supply. The network unites oil and gas industry professionals, innovators, investors, startups, policymakers, incubators and accelerators, researchers and students to advance technologies aimed at improving our economic and environmental performance and with the potential for export to global markets. This emphasizes the potential impact our country can contribute to help address global challenges.

CRIN announced 27 finalists across three technology competitions in 2022, totalling \$80 million in investments through the Government of Canada's Strategic Innovation Fund. Six of these projects are led by Suncor, including a non-aqueous extraction project slated to receive \$10 million.

D Environment

We believe a resilient environment and vibrant communities are foundational to business success. We operate our business in a manner that aims to minimize our impact on air, water, land, biodiversity and climate.

- > Climate change
- > Air quality
- > Waste management
- > Environmental incidents
- > Water stewardship
- > Tailings management
- > Land and reclamation
- > Biodiversity

Climate change

Addressing climate change and providing the secure and reliable energy the world needs requires investment, technological advancement, product innovation, regulatory support and collaborative partnerships.

Be a net-zero greenhouse gas emissions company by 2050 and substantially contribute to society's net-zero goals

By 2030, reduce annual emissions by 10 megatonnes across our value chain

Reduce greenhouse gas emissions through base business improvements

Grow low-emissions energy businesses in renewable fuels, electricity and hydrogen

Work with others to reduce emissions

In 2021, Suncor and five other oil sands producers, with operating facilities that represent 95% of Canada's oil sands production, launched the Oil Sands Pathways to Net Zero Alliance. It's ambition is to achieve net-zero greenhouse gas (GHG) emissions from oil sands operations by 2050. The path forward is to reduce emissions by approximately 10% (of Canada's 2019 total emissions) through a three-phased approach using multiple parallel pathways, including electrification, fuel substitution, energy efficiency, carbon capture, process improvements and the implementation of emerging technologies. This collaboration between the industry and the Canadian and Alberta governments is ambitious and unprecedented in Canada in size and scale.

We were the first oil and gas company in North America to declare support for the Task Force on Climate-related Financial Disclosures in 2018 and we continue to work to align with its recommendations.

For more information and detailed performance data on how we're addressing climate change and our perspective on the energy future, please read our <u>2022 Climate Report</u>.

🕮 Governance

Appendix

Air quality

We are committed to improving air quality and reducing air emissions near all our operations.

We monitor and manage our emissions toward protecting good air quality for our employees, contractors and local communities. Recognizing the importance of local airsheds for both people and the environment, we work to minimize emissions and odours through operational excellence, project design and technological advances that can improve our performance.

Compliance and monitoring

Our operations have controls and procedures to manage emissions. We also test and pilot new technologies to improve our understanding of air emissions.

We participate in provincial, state and regional government management framework programs to help oversee air quality and industrial emissions. We support air monitoring and data collection by independent organizations, such as the Wood Buffalo Environmental Association (WBEA). We also aim to provide timely availability of results to the public and regulatory agencies in all areas where we operate.

Collaboration

We regularly engage with communities, stakeholders, governments and other external agencies to discuss odour management strategies and best practices. This includes collaborative industry efforts such as Canada's Oil Sands Innovation Alliance (COSIA) to support research and test new technologies to monitor fugitive emissions. We also developed an enhanced air monitoring program, Commerce City – North Denver (CCND) Air Monitoring, in collaboration with existing air monitoring networks in the Commerce City and North Denver communities. Montrose Air Quality Services, a third-party team of engineers, scientists, analysts and technicians, runs CCND Air Monitoring and provides the community with easy-to-access information from sensors reporting in near real time, as well as through laboratory analysis and a mobile monitoring van.

Continuous improvement

We have several initiatives at our sites to reduce releases of air pollutants, including investigating new technologies. Examples of technologies and measures that mitigate air emissions include:

- low nitrogen oxides (NO_x) boilers and heaters
- vapour recovery units to reduce volatile organic compounds (VOC) and hydrogen sulfide emissions
- sulphur recovery units and scrubbers to reduce sulphur dioxide (SO₂) emissions
- leak detection and repair programs to manage and reduce fugitive emissions from equipment on site
- VOC and total reduced sulphur annual monitoring plans to understand fugitive emissions from mining operations
- selective catalytic reduction technology; to be implemented as part of Suncor's Oil Sands Base Plant Coke Boiler Replacement Project to achieve lower NO_x and SO₂ emissions
- conversion of mine fleet engines to low NO_x Tier 4 engines.

Regional air quality is monitored independently by the Wood Buffalo Environmental Association (WBEA) and the Ambient Air Technical Committee (AATC) subcommittee. Headquartered in Fort McMurray, Alberta, this multistakeholder association operates the most integrated and intensive focus on air and terrestrial monitoring in any one area in Canada, with 17 air monitoring stations and 23 passive monitoring stations. WBEA is a working partner with the Environmental Monitoring and Science Division of Alberta Environment and Parks, which oversees the Oil Sands Monitoring (OSM) Program.

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Air quality

Air quality performance

Our key focus areas for air emissions monitoring and reductions include SO_2 , NO_x and VOCs. We adopt the best available technology and processes to reduce emissions, with a focus on high utilization rates and operational excellence, and seek opportunities for continuous improvement. We also work closely with local communities and stakeholders to explore opportunities to improve air quality in the regions where we operate.

Sulphur dioxide

 SO_2 emissions originate from units in our upgrading and refining facilities. Other sources of SO_2 include flaring and diverter stacks, which are used only during unit or plant upsets. Absolute SO_2 emissions and intensity both decreased by approximately 8% in 2021 as a result of increased flue-gas desulfurization utilization rates at Base Plant when compared to 2020. The increase in SO_2 emissions from our in situ sites and refineries was offset by Base Plant, resulting in an overall Suncor-wide reduction of SO_2 emissions.

Over the last five years, our SO_2 intensity has trended relatively consistent even with the startup of Fort Hills in 2018. Additionally, over the last number of years, Syncrude has demonstrated emissions reductions due to increased focus on technology and process improvements totalling \$1.6 billion.

Nitrogen oxides

Sources of NO_x emissions are the main and secondary stacks in our upgrader and mining equipment. Suncor operations resulted in relatively consistent absolute NO_x emissions and NO_x emissions intensity in 2021. While NO_x emissions intensity remained flat at the Base Plant, in situ sites and refineries, NO_x emissions intensity at Fort Hills increased due to reduced production rates from single-train operations in 2021. At Syncrude, absolute NO_x emissions in 2021 also remained relatively consistent.

From 2017 to 2019, NO_x emissions intensity increased due to Base Plant operations. The emissions intensity then stabilized from 2019 to 2021. We expect a reduction in NO_x emissions once the Base Plant Coke Boiler Replacement Project is fully operational and through the continued conversion of mine fleet engines with Tier 4 low NO_x engines.

Volatile organic compounds

Sources of VOCs from our sites can include vehicles, operating units and industrial facilities, tailings facilities and mine faces. Annual surveys are conducted to track and measure emissions, and leaks identified in operating units are repaired in a timely manner. Volumes and intensities fluctuate annually and over longer periods of time based on variable meteorological conditions, ore composition and natural microbial activity in tailings facilities. Modelling methods are also continually being enhanced in order to improve data accuracy.

In 2021, Suncor's VOC absolute emissions were 25% higher and VOC emissions intensity was 20% higher when compared to 2020, due to increased movement of tailings material between storage facilities at Base Plant. Syncrude's VOC absolute emissions and emissions intensity were 17% and 19% higher respectively, primarily resulting from additional storage tank monitoring and mine face conditions.

SO ₂ emissions	17	18	19	20	21
kg/BOE	0-	-0-	-0-	-0-	-0
Suncor total Oil Sands Base Plant Oil Sands Fort Hills Oil Sands In Situ	0.07 0.11 	0.06 0.13 0.000 0.00	0.06 0.11 0.001 0.01	0.07 0.14 0.002 0.01	0.07 0.11 0.001 0.01
E&P Terra Nova Refining and Logistics Syncrude	0.001 0.04 0.31	0.001 0.04 0.34	0.001 0.04 0.25	- 0.04 0.21	0.04 0.24
NO _x emissions intensity	17	18	19	20	21
KY/DUE	0-	-0-	-0-	-0-	-0
Suncor total Oil Sands Base Plant Oil Sands Fort Hills Oil Sands In Situ E&P Terra Nova Refining and Logistics Svncrude	0.09 0.16 - 0.03 0.20 0.02 0.27	0.10 0.19 0.09 0.03 0.19 0.02 0.27	0.11 0.21 0.08 0.04 0.21 0.02 0.23	0.11 0.20 0.08 0.05 - 0.02 0.26	0.11 0.20 0.11 0.04
VOC emissions	17	18	10	20	21

VOC emissions intensity kg/BOE	17	18	19	20	21
	0-	-0-	-0-	-0	
O Suncor total	0.08	0.08	0.06	0.08	0.10
Oil Sands Base Plant	0.14	0.17	0.13	0.14	0.20
Oil Sands Fort Hills	-	0.02	0.02	0.04	0.07
Oil Sands In Situ	0.004	0.004	0.004	0.004	0.004
E&P Terra Nova	0.13	0.17	0.03	-	-
Refining and Logistics	0.02	0.03	0.02	0.03	0.03
Syncrude	0.13	0.13	0.06	0.09	0.11

Syncrude performance will be incorporated into Suncor corporate totals in the next reporting cycle. Refer to the 2022 sustainability performance data document for Syncrude performance on a separate asset basis. For additional information about this chart and its data, please refer to performance data footnote #7.

Waste management

We closely manage all kinds of waste – whether generated at our operational sites or offices – to ensure they are properly handled and disposed of. This protects the environment and our people.

We apply a mitigation hierarchy and work with contractors, suppliers and waste receivers to improve waste management practices at our job sites. We also collaborate with industry peers to identify and act on shared waste management opportunities. In addition to complying with all regulatory waste material production, control and disposal requirements, we see waste recycling, reuse and recovery as an opportunity to generate economic, social and environmental benefits.

Resource circularity

One of the ways we are working to reduce waste is by exploring opportunities to integrate the concept of a circular economy in our operations and across our value chain. Through this lens, we are examining how commodities flow through our own business, treating waste as design flaws that should be eliminated, and looking for efficiencies to reduce raw material consumption and improve environmental performance. Also, by reducing our environmental impacts through strategies such as growing our low-emissions energy portfolio and reducing greenhouse gas emissions in our base business, Suncor can play a valuable role in providing the additional energy needs associated with material circularity.

Waste performance

Our activities involve handling large volumes of different types of waste; construction materials and contaminated water constitute the largest volumes. Waste volumes, hazardous and non-hazardous, depend upon on-site activities, including periodic equipment maintenance, and may fluctuate annually. As we have assumed the operatorship of additional facilities, we have seen increased waste generation volumes. In 2021, some of our facilities experienced shutdowns and turnarounds, which increased waste generation in 2021 by 3% compared to 2020. We were, however, able to send 95,000 tonnes of waste off-site for recycling, reuse and recovery due to waste improvement projects throughout our operations in 2021.

Syncrude performance will be incorporated into Suncor corporate totals in the next reporting cycle. Refer to the 2022 sustainability performance data document for Syncrude performance on a separate asset basis. For additional information about this chart and its data, please refer to performance data footnote #9.

Waste mitigation hierarchy

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Environmental incidents

We are committed to operating our facilities safely and reliably. Suncor's Operational Excellence Management System (OEMS) applies a systematic approach to manage our environment, health and safety commitments. It provides the framework for setting goals and targets, assessing compliance and driving continual improvement in performance.

Incident prevention

We work to prevent incidents from occurring by implementing the following controls:

- asset reliability and integrity monitoring, preventive maintenance, and equipment inspection programs
- monitoring equipment to automatically detect incidents to proactively manage events and releases
- infrastructure, such as secondary containment, to mitigate spills from affecting sensitive environmental receptors
- regular review of incident prevention processes and procedures
- equipment and technology designed for our different operating environments
- ongoing emergency management and environmental incident training.

These elements, combined with planning and risk assessments, help us to reduce the probability of an incident occurring.

Environment emergency response

In addition to implementing systems to inspect and audit our facilities, Suncor has emergency response plans for all our locations. We conduct regular tabletop and emergency response training exercises, including on-water training exercises, as part of our emergency preparedness plans. We invite regulatory agencies and oil-spill response organizations to participate in these exercises.

To complement our own response capability, we work with several spill-response organizations and other operators on an ongoing basis to build competency through shared knowledge, experience and resources.

Should an incident take place, we minimize the risk to the environment and human health by immediately implementing mitigating and remedial actions. We record and investigate incidents to determine the root cause, improve the internal critical controls and minimize the chance of recurrence.

In 2021, 579 emergency exercises and drills were completed across the entire organization.

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Environmental incidents

Incident management and performance

Our spills and environmental incident reporting adheres to industry standards and regulatory requirements. We share best practices and knowledge across the organization to increase awareness, improve alignment with internal tools and processes, and mitigate the risks of future incidents. We are also upgrading our internal data management tools to enhance incident analysis.

There were 53 environmental incidents and non-compliance events at Suncor sites in 2021. We are managing the causes of these incidents and their environmental impact, as well as the impact on local communities and on our business. Incidents are promptly investigated and action plans are developed and implemented to ensure we apply and share learnings widely and work to mitigate or prevent future occurrences. This may include everything from implementing new technology to revising processes and updating maintenance or operating procedures.

We continue to focus on asset reliability, improving internal critical controls, monitoring with an aim to decrease spills, and when required, timely remediation. Across all Suncor sites, there were no spills deemed significant* in 2021; however, there were six hydrocarbon spills where more than one barrel reached the environment.

2021 environmental incidents and non-compliance

Environmental incidents and non-compliance	53
Significant spills	0
Reportable spills >1 bbl that reach the environment	6

Syncrude performance will be incorporated into Suncor corporate totals in the next reporting cycle. Refer to the 2022 sustainability performance data document for Syncrude performance on a separate asset basis. For additional information about this chart and its data, please refer to performance data footnote #11.

As part of Suncor Energy (U.S.A.) Inc.'s 2020 settlement agreement with the Colorado Department of Public Health and Environment (CDPHE), we engaged Kearney – an independent, third-party expert - to investigate the root cause of our past emissions exceedances and identify refinery improvement opportunities. Based on these findings and recommendations, we developed an Improvement Plan that highlights what we have done so far and what we plan to do. It has two parts: 1) an Implementation Plan for actions required by the settlement agreement with CDPHE; and 2) Voluntary Measures that are additional actions we are taking in response to Kearney's other recommendations.

By upgrading the automatic shutdown systems for our gasoline production units, the Commerce City Refinery has completed the required elements from the <u>2021 Improvement Plan</u>, enhancing safety for the surrounding community. The improved Fluidized Catalytic Cracking unit (FCC) automatic shutdown systems demonstrate the many steps we are taking to ensure safe and reliable operations at the Commerce City Refinery.

In addition to the required elements of the plan, we continue to honour our voluntary commitments by enhancing safety, reliability, training and culture at the refinery. Regular updates on this work can be found at <u>suncor.com/ccr-report</u>.

* Significant spills reflect unplanned or accidental release of material whose impact is either off property and takes longer than seven months to remediate, or is on property and takes one year or more to remediate or reclaim.

Water stewardship

We believe water is a shared and precious resource that must be managed wisely.

Responsible energy development means satisfying industry's water requirements while maintaining a healthy ecosystem and functioning water cycle for current and future generations. We strive to always raise the bar on company-wide water performance and water management practices.

As water is an essential part of our operations, it's important we find innovative ways to manage water effectively and efficiently across our business. This includes minimizing the withdrawal of fresh water from the watersheds where we operate; reusing, recycling and identifying opportunities to safely release water where possible; and safely storing water on our sites. The following principles guide our water management approach:

- · Shared value of water
- Watershed management
- Reduce-reuse-release
- · Integrated options analysis

Responsible water use is critical to the company, to neighbouring communities and to our stakeholders. It's also crucial to achieving progressive reclamation and mine closure commitments.

Our internal issues management processes identify and help manage ecosystem, habitat and water-related risks and opportunities, including new or changing polices and regulations related to water.

Reduce-reuse-release

For our oil sands operations in the Regional Municipality of Wood Buffalo (RMWB), a holistic approach to water management is necessary for the sustainable development of oil sands mines and our continued commitments to closure and reclamation. This approach would allow our mining operations the opportunity to optimize water management and focus efforts on water use reduction, and the recycle, reuse, removal and release of treated mine water.

The ability to safely release water to the watershed is a critical component of an integrated water management approach. Water release is required to manage on-site water quantity and quality for all our operations. Storing mine water, which currently includes precipitation and runoff that comes into contact with our mining area on our sites, is not a sustainable long-term practice.

We are working with government, local communities and stakeholders to develop a policy and regulatory framework to safely release treated mine water from our oil sands sites. Integrated water management across the RMWB is key for oil sands water management and we are taking a collaborative approach to this work.

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Water stewardship

Technology and innovation

When it comes to advancing water-related technology, we continue to invest in research and technology development to increase efficiency (reduce and recycle) and optimize wastewater treatment. For example, we continue to reduce fluid tailings inventories at Base Plant through our holistic tailings management approach and permanent aquatic storage structure (PASS) treatment processes.

Pit lake technology mimics natural water bodies and is one of several solutions we are developing for water treatment. Choosing a technology for each site depends on the quality of water requiring treatment. Water quality differs based on factors such as the age of the mine and the type of ore and/or extraction process deployed. Our treatment focus is determined by the best available technology application and optimization of existing treatment options for our various sites and water types.

As we advance water treatment technologies, we're sharing best practices and lessons learned with our industry peers through Canada's Oil Sands Innovation Alliance (COSIA).

Monitoring

Environmental monitoring is critical, especially in measuring our effectiveness in water management. Our approvals require us to monitor our sites and assess ecosystem impacts in the watersheds where we operate. In addition to all of our site-specific monitoring, we also participate in the Oil Sands Monitoring (OSM) Program along with our oil sands peers, Indigenous communities and government stakeholders to conduct regional monitoring in the oil sands region of Alberta. The OSM Program began in 2012 and the oil sands industry provides \$50 million annually to support the program's activities. It is one of the largest regional environmental monitoring programs in North America and specifically focuses on tracking potential environmental impacts from oil sands facilities. The OSM Program also assesses potential cumulative environmental effects from oil sands development to help inform future monitoring, mitigation and management decisions.

Water performance

Mining

At our oil sands mines, our water management practices focus on minimizing Athabasca River water diversion, maximizing the recycling of process-affected water and minimizing the on-site storage of water. We continue to operate well below our annual water licences, withdrawing less water than we're regulated to withdraw.

An operating site's water performance is largely impacted by a facility's design and configuration. Water performance at our mining sites in 2021 was mainly influenced by decreased annual precipitation rates in the Wood Buffalo region and increased water requirements for plant operations. In 2021, Base Plant freshwater consumption increased to 13.91 million cubic metres (Mm³). Freshwater consumption intensity increased by 9% to 0.12 m³/BOE production at Base Plant. Fort Hills had relatively consistent absolute freshwater consumption year over year. Freshwater consumption intensity increased by 15% to 0.31 m³/BOE production at Fort Hills due to decreased production, resulting from its single-train operation in 2021. We will continue to explore opportunities to reduce water use.

Coke water treatment process

Syncrude has been successfully developing a tailings water treatment using petroleum coke, a byproduct of its upgrading process. The treatment is similar to using a home water filter. The coke, which is almost pure carbon, acts as a filter to remove constituents in the water, such as naphthenic acids. Field programs show the treated water will support aquatic life and can be released in a manner to ensure protection of downstream uses.

93% water recycle rates at Suncor's Base Plant and Fort Hills mining operations.

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Water stewardship

At Syncrude, 2021 freshwater consumption totalled 36.85 Mm³ with an intensity of 0.36 m³/BOE. Syncrude uses a monthly score card to track water use in order to identify opportunities for reducing withdrawal of freshwater from the Athabasca River. In 2021, conservation projects reduced withdrawal requirements by approximately 3.15 Mm³. Approximately 85% of the water used in Syncrude's plant operations was recycled from tailings facilities.

In Situ

The average water recycling rate at the Firebag and MacKay River in situ sites was approximately 99% due to operational efficiencies and site water optimization. Water at these sites is drawn from recycled wastewater from our oil sands upgrading and utilities operations, surface runoff water collected within the facility boundaries and from groundwater wells. In 2021, both Firebag and MacKay River increased freshwater withdrawal and consumption due to site ramp-up requirements and various site activities. The total in situ freshwater consumption intensity of 0.02 m³/BOE in 2021 remained consistent with historic five-year performance. The amount of water released increased significantly, compared to 2020, to 3.03 Mm³ at Firebag due to operational requirements and the capacity at the site to receive water. Water release decreased at MacKay River due to more water being recycled or reused and because water was needed to restart the site after an unexpected operational incident in December 2019.

Refining and Logistics

Our refineries use fresh water for heating and cooling. All refineries have unique requirements and considerations based on the watersheds in which they operate. In 2021, relatively consistent downstream production, impacts from the pandemic and facility turnarounds led to similar freshwater absolute consumption and intensity values as 2020. We continue to explore and implement local initiatives that will result in more efficient water use, with less fresh water drawn from local water sources.

In 2021, approximately 39% of the total water used at the Edmonton Refinery was from recycled wastewater supplied from the Gold Bar Wastewater Treatment Plant in Edmonton.

None of our assets operate in areas where there is high risk of water stress. However, Suncor's Commerce City refinery in Colorado operates in a region that is classified as moderate risk, where water supply curtailment would require bringing in water by pipeline or truck. We continue to monitor the status of the basin while focusing on implementing industry-leading innovation at our facilities to reduce, reuse and release water.

We are always looking for ways to limit the amount of water we use, including the amount of freshwater directly withdrawn from local water sources. One way we manage water at our refineries is by upgrading and maintaining the existing wastewater treatment facilities.

Exploration and Production

In our East Coast Canada operations, water is either produced offshore through desalination, or is transferred via vessel from St. John's, Newfoundland. The Terra Nova floating production, storage and offloading vessel has been shut in since the end of 2019. In 2021, we restructured the Terra Nova project ownership and moved forward with the Asset Life Extension Project. We anticipate a safe return to operations before the end of 2022.

Freshwater consumption million m ³	17	18	19	20	21
 Suncor total Oil Sands Base Plant Oil Sands Fort Hills Oil Sands In Situ Refining and Logistics 	22.40 15.18 - 1.17 5.10	46.52 14.94 25.28 1.05 4.35	51.60 13.43 31.38 1.25 4.62	31.04 12.46 10.92 0.85 6.01	33.24 13.91 11.13 1.74 5.61
Renewable Fuels and Power Syncrude	0.95 41.54	0.90 40.45	0.92 44.08	0.80 39.86	0.86 36.85
Freshwater consumption	17	18	19	20	21
intensity m ³ /BOE	0	~	-0	6	-0
Suncor total Oil Sands Base Plant	0.07 0.13	0.14 0.14	0.15 0.11	0.10 0.11	0.11 0.12
Oil Sands Fort Hills Oil Sands In Situ	- 0.02	0.53 0.01	0.52 0.02	0.27 0.01	0.31 0.02
Refining and Logistics Renewable Fuels and Power	0.03 0.60	0.03 0.58	0.03 0.60	0.03 0.62	0.04 0.65
Syncrude	0.46	0.44	0.41	0.39	0.36

Syncrude performance will be incorporated into Suncor corporate totals in the next reporting cycle. Refer to the 2022 sustainability performance data document for Syncrude performance on a separate asset basis. For additional information about this chart and its data, please refer to performance data footnote #8.

In 2021, both Suncor and Syncrude began reporting in accordance with the Mining Association of Canada's Towards Sustainable Mining (MAC TSM) Water Stewardship protocol. This protocol is comprised of four focus indicators, which drive our performance: water governance, operational water management, watershed-scale planning and water reporting and performance indicators. All our mining operations achieved a AAA score for the watershed-scale planning indicator and an A score for the other three indicators in 2021.

Tailings management

Tailings reclamation requires continuous learning, collaboration and innovation.

We are committed to using world-leading practices to manage and reduce tailings at our oil sands mine sites. We currently treat more fluid tailings than we produce at Base Plant through our holistic tailings management approach and permanent aquatic storage structure (PASS) treatment process. We are also working to close several tailings facilities and increase treatment capacity at Syncrude and Fort Hills over the next few years. Our work to treat and dewater fluid tailings supports our reclamation and closure plans in the areas where we operate.

Our tailings technology improvements focus on fluid tailings treatment. Although sand separates quickly from the tailings to form coarse tailings deposits, smaller particles of clay and silt remain suspended in water and form fluid tailings, which could take decades to separate without being treated.

Fluid tailings – which make up less than 10% of tailings – are treated. Treatment can involve separating the suspended clay and silt (tailings) from the water. Tailings are removed, treated and/or left to settle and then capped with water. Treated tailings may be used for future reclamation as material for closure landscapes. Treating fluid tailings quickly and cost effectively, and safely releasing water from our sites, are critical steps in improving our overall reclamation performance.

Over 90% of tailings form coarse tailings deposits. We use the coarse tailings to backfill the mine and build structures. These tailings require no treatment before reclamation. Operational management systems are in place at Suncor and Syncrude to oversee and ensure the integrity of tailings dam structures. These systems emphasize:

- · corporate accountability for tailings
- · effective operations integrity and governance
- robust dam safety management.

Integration of the Syncrude asset will enable more effective sharing of best practices across our mining and tailings operations.

Tailings management Treating and reclaiming tailings

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Tailings management

Regulatory requirements

Alberta Environment and Parks developed the Tailings Management Framework (TMF) within the Lower Athabasca Regional Plan to provide direction to manage fluid tailings volumes during and after mine operation. The Alberta Energy Regulator also implemented Directive 085: Fluid Tailings Management for Oil Sands Mining Projects, as a key part of TMF implementation, to minimize fluid tailings inventories through treatment and progressive reclamation during the life of a project.

Our tailings management plans are aligned with the TMF and Directive 085. These plans incorporate what we've learned through implementing various treatment technologies and through sharing information and best practices with members of Canada's Oil Sands Innovation Alliance (COSIA).

Dam safety and integrity

We take tailings dam safety seriously. Robust safety programs are in place to protect the integrity of tailings dam structures through extensive checks and balances for design, construction and monitoring. This includes a series of internal and external reviews.

We follow stringent requirements governing tailings and dam safety in Canada. Alberta regulators released the new Dam and Canal Safety Directive in 2018 with requirements for industry-leading practices for dam safety management. Our dam safety programs are world-class and consistent with the updated requirements in the Directive. The Directive requires operators to test dam breach emergency preparedness with external stakeholders. Industry is conducting regional tests with the Regional Municipality of Wood Buffalo's Regional Emergency Operations Centre. Base Plant will conduct a regional test with external stakeholders in 2022, followed by Syncrude's Mildred Lake operations in 2023.

Our tailings management and dam safety practices improve with the ongoing development of geotechnical engineering practices and industry-leading tailings and dam safety guidelines and regulations. We employ specialized and experienced engineers – referred to as geotechnical engineers of record – for each tailings facility and/or dam structure. These individuals are qualified to lead the design work of each area. They work in collaboration with internationally experienced design consultants, referred to as geotechnical designers of record. Independent external boards also review and critique the ongoing design, construction and operation of our tailings facilities several times a year. In 2021, our commitment in this area was recognized with the Canadian Dam Association Corporate Award, acknowledging our contributions to the industry, advancing state of practice, and innovation and leadership.

Suncor and Syncrude have been externally verified as meeting the top level AAA and AA requirements respectively in the Mining Association of Canada's Towards Sustainable Mining (MAC TSM) Tailings Management Protocol. Through our membership in the MAC TSM, we continue to monitor our alignment with the expectations outlined in the Global Industry Standard on Tailings Management.

Engagement

Regularly engaging and working with Indigenous communities and stakeholders to review our approach and share progress and challenges is important to us. We also incorporate feedback into future engagement plans to improve information sharing. Annual engagement sessions are hosted and provide communities the opportunity to offer feedback on our approach to tailings management.

Technology

Finding ways to manage tailings is critical to reclamation planning and performance. What works for one operating area may not work for another due to site-specific conditions. A suite of technologies to manage tailings inventories has been implemented and more are being developed. At Base Plant, implementation of Tailings Reduction Operations (TRO[™]) in 2010 and the PASS fluid tailings treatment process has reduced fluid tailings volumes. Syncrude has made progress through technologies such as centrifuging and composite tailings as well as a commercial-scale pit lake demonstration.

We share our research and development findings with other operators through organizations such as COSIA to continuously improve tailings management.

Composite tailings

This technology combines fluid tailings with sand and gypsum. When placed in formerly mined areas, the tailings quickly settle and free up water. The area is then capped with sand and soil, supporting the development of landscapes for forests, wetlands and lakes. At Syncrude, the Sandhill Fen watershed is one example of a reclamation outcome using this process. Our approach

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Tailings management

Tailings performance

As our mining operations have expanded, the volume of fluid tailings has increased. We continue to manage and treat tailings. From 2010 to 2021, Suncor's Base Plant and Syncrude operations treated approximately 247 million cubic metres of fluid tailings. Fluid tailings treatment in 2020 and 2021 was affected by pandemic restrictions, including the shutdown of one area earlier than planned. We continue to implement new technologies to increase treatment capacity in support of accelerated reclamation. We anticipate that integrating our mining operations will lead to further opportunities to share best practices for reducing fluid tailings volumes.

We are leveraging learnings from Base Plant and Syncrude operations at Fort Hills. Although total volumes are increasing while the treatment area is opened in the first mining location, we expect to have a smaller fluid tailings inventory.

	2010			2021			
	Base Plant	Fort Hills	Syncrude	Base Plant	Fort Hills	Syncrude	
Active	7	0	7	6	1	8	
Inactive	1	0	0	3	0	0	
Advancing to closure	1	0	0	2	0	3	
Surface reclaimed	1	0	0	1	0	0	

For additional information about this chart and its data, please refer to performance data footnote #10.

All assets must manage annual precipitation that leads to increased water in storage facilities. Without effluent regulations that allow for the safe release of treated water, any additional water being added to existing inventory continues to require management. Despite the increase in stored water, we continue to focus on progressive reclamation and move toward mine closure by advancing more tailings facilities to closure in a safe and environmentally responsible way. As of 2021, we have one facility that has been surface reclaimed and five more advancing towards closure. One of those facilities is being drained and we anticipate it being removed from the landscape this decade.

Since 2010, Base Plant has reduced overall tailings inventories by approximately 15%. Fluid tailings inventories peaked in 2010, and with total inventories shrinking, the Base Plant site is ahead of regulatory requirements.

For additional information about this chart and its data, please refer to performance data footnote #10.

Base Mine Lake

A global mining industry best practice is to transform former mine pits into lakes. Syncrude's Base Mine Lake is the first commercial-scale demonstration pit lake that uses water-capped tailings technology. The technology includes filling the mine pit with fluid tailings, and then capping it with water to form a lake. An adaptive management approach is used to steward the lake towards the desired outcomes and is currently focused on removing residual bitumen mats on the tailings surface. Monitoring and research to date indicates that tailings are physically isolated beneath the water cap, and that the water quality in the cap is improving. A variety of biological communities are also developing, including algae, aquatic plants, zooplankton and macroinvertebrates. Through COSIA, learnings from this project are being shared with other mining operators.

Land and reclamation

Energy development disturbs land. To help address this, we create and implement detailed reclamation plans to mitigate the impact of our operations.

We focus on reducing the amount of land we disturb and facilitating the return of a biologically diverse landscape and naturally sustainable ecosystems. To do this, we are:

- reducing the impact of our operations on the environment through scientific research and implementing best management practices
- collaborating with neighbouring companies to reduce the cumulative effects of development
- progressively reclaiming disturbed lands no longer required to support operations
- working with industry peers and multi-stakeholder organizations on initiatives to conserve and reclaim habitat for birds, mammals, fish and other species
- integrating traditional knowledge from Indigenous Peoples.

How the land will be used following reclamation and closure is referred to as end land use. This is an important consideration throughout the life cycle of a project, from initial planning through to final reclamation*. This includes considerations such as what species to plant and when and where to plant them. Before developing a new mine or in situ project, our plans outline the life of the project through to reclamation and closure. We update plans regularly throughout the project and incorporate changes, new knowledge and technologies as they are developed.

The Alberta Energy Regulator must authorize reclamation and closure plans for all new projects in Alberta and approve updated plans as they are developed.

Reclamation process

* Once land is revegetated as per the reclamation plan, it is considered "reclaimed". Only after reclaimed land meets the expectations of equivalent land capability and goes through an application and approval process with the regulator can it be certified and returned to the Crown.

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Land and reclamation

Reclamation performance

Mining

Since Suncor began Base Plant operations in 1967, the site has disturbed 22,466 hectares (ha) of land. We have reclaimed approximately 11% of the total land disturbance as of 2021, bringing our cumulative land reclamation total to 2,446 ha. In 2021, we planted approximately 26,370 tree and shrub seedlings in reclamation areas at Base Plant, bringing the total cumulative seedlings planted to more than 9 million. With the mineable resource at Base Plant's Millennium and North Steepbank Extension mines anticipated to be depleted in the next decade (2030s), we are adding detail to our plan for reclamation and closure of the site, which will include engagement with local Indigenous communities.

The Fort Hills site started production in 2018 and has disturbed 11,157 ha of land. Fort Hills is in the early stage of development with limited reclamation opportunities currently. We plan to progress reclamation as quickly as possible when areas are no longer required for operations.

Syncrude started operation in 1978 and has disturbed 31,455 ha. Since that time, 5,053 ha has been reclaimed, including 104 ha of land certified and returned to the Crown. This represents over 15% of the operation's total disturbed land. In addition, approximately 12 million tree and shrub seedlings have been planted. In 2021, more than 300 ha were reclaimed, and more than 961,000 seedlings planted. An additional 1,200 ha of reclaimed land are used for a wood bison ranch co-managed with the neighbouring Fort McKay First Nation.

Work has started to look at opportunities to learn from each other and to integrate Suncor and Syncrude approaches to reclamation.

In Situ

Since our Firebag and MacKay River in situ sites began operating in 2004 and 2002 respectively, they have disturbed a cumulative total of 2,031 ha with approximately 68 ha of land that have been permanently reclaimed and are being monitored. We received two reclamation certificates from the Alberta Energy Regulator in 2021 for borrow pits at our Firebag site, bringing the total cumulative number of hectares certified and returned to the Crown at the two projects to 16.5 ha. Following a significant planting program in 2021, we reclaimed another borrow pit to a mosaic of upland and wetland ecosites at Firebag. Seedlings were grown from locally sourced stock and included species of interest to Indigenous communities.

Bison

Syncrude and the Fort McKay First Nation introduced 30 wood bison to a reclaimed area in 1993 to assess the capability of the landscape to support large mammals. Today, approximately 300 bison graze on three reclaimed areas within Syncrude operations, named Beaver Creek Wood Bison Ranch. Two of the areas are predominantly grassland; the third area is a boreal forest, with coniferous and deciduous trees, as well as local shrubs and grasses. The herd provides the opportunity to explore a valuable end land use for the reclaimed landscape, while supporting beneficial partnerships with Indigenous communities. It has also contributed to a genetic preservation project led by scientists from the University of Calgary, the University of Saskatchewan, the Canadian Food Inspection Agency, Parks Canada, the Government of the Northwest Territories and the Calgary Zoo.

A former Syncrude mining area reclaimed in the 1990s

Syncrude performance will be incorporated into Suncor corporate totals in the next reporting cycle. Refer to the 2022 sustainability performance data document for Syncrude performance on a separate asset basis. For additional information about this chart and its data, please refer to performance data footnote #10.

Biodiversity

We're committed to preserving and promoting biodiversity in all areas where we work. This includes conserving habitat and reclaiming the landscape we've disturbed.

Our approach

Throughout the life cycle of our projects, we seek to avoid, minimize, restore and/or offset impacts to biodiversity from our operations. We do this by:

- incorporating the principles of the mitigation hierarchy, integrated land use and management planning processes into project design, operation, reclamation and closure
- using tools such as constraints mapping and wildlife sweeps to understand and ensure our development and construction activities avoid sensitive environmental areas and species potentially impacted by our activities
- minimizing disturbances to the greatest extent possible while considering multiple factors
- employing mitigations such as wildlife crossings, low-impact seismic, waste management procedures and managing human-wildlife interaction to reduce conflicts
- working internally, with industry peers and with multi-stakeholder organizations to monitor, conserve, restore and reclaim habitat for birds, mammals, fish and other species, including those at risk such as caribou.

To protect both people and wildlife that use our sites and nearby areas, our internal Wildlife Standard describes the responsibilities of all on-site employees and contractors. This is supported by a wildlife committee with representatives from each of our operating sites coming together to discuss wildlife-related best practices.

Biodiversity monitoring and evaluation

We monitor biodiversity in and around our oil sands operations and reclaimed sites in accordance with our regulatory commitments and aligned with broader regional initiatives. Reclaimed terrestrial, wetland and aquatic areas are monitored according to site-specific reclamation monitoring plans that assess the components of biodiversity, while vegetation regrows and ecosystems develop over time. This monitoring allows us to collect soil, vegetation, wildlife use and water quality information to support reclamation certificate applications once it's determined requirements have been met. We further evaluate biodiversity across our sites through wildlife monitoring, conducted in accordance with approved site-level

The mitigation hierarchy is a series of steps that are considered throughout the life cycle of a project in order to limit negative impacts from our activities on biodiversity. While the steps are considered sequentially and in advance of undertaking activities, site-specific conditions encountered may warrant revisiting the mitigation hierarchy to further avoid and/or minimize negative impacts to biodiversity features.

Mitigation hierarchy

Biodiversity

wildlife mitigation plans that include bird deterrents at ponds; the use of wildlife crossings over above-ground pipelines; and effectively managing human-wildlife interactions.

Through remote cameras, we've captured images of wildlife in reclaimed areas and in proximity to our oil sands operating sites. No endangered or critically endangered species from the International Union for Conservation of Nature Red List of Threatened Species have been identified within our operating areas in northern Alberta. Notable wildlife observed using reclaimed habitat on our sites include the Canadian Toad, Canada Warbler and Olive-sided Flycatcher.

In collaboration with our industry peers, stakeholders and regulatory agencies, we work with organizations such as the Alberta Biodiversity Monitoring Institute (ABMI), the Canada-Alberta Oil Sands Monitoring (OSM) Program and Canada's Oil Sands Innovation Alliance (COSIA) to:

- mitigate and monitor the impacts of our operations
- understand and reduce the cumulative effects of oil sands development
- · address regional biodiversity risk.

The OSM Program was formed out of a recognized need for a robust, reputable, and science and traditional knowledge-based monitoring system in the oil sands region. The program's goal is to provide assurance to local communities, the province, the country and the international community that oil sands resources are being developed responsibly. As key funders, Suncor and Syncrude have significant interests in ensuring the program succeeds and believe we add value as the OSM Program aims to highlight key questions and pursues increased transparency, improved governance and meaningful stakeholder engagement.

Under the OSM Program, the Terrestrial Biological Monitoring (TBM) theme area brings together multiple investigators and research programs to consider the relationship of oil sands development to biodiversity in a regional context. Through the TBM workplan, Suncor and Syncrude support programs such as the Monitoring Avian Productivity and Survivorship program – one way researchers monitor bird populations to assess the return of bird species to reclaimed land, as well as to gather demographic information that contributes to bird and habitat conservation continent-wide. Other aspects of the workplan incorporate monitoring technologies including wildlife cameras and acoustic recording units.

Caribou recovery and conservation

In the oil sands region, complex combinations of natural- and human-caused factors have created landscape changes and indirectly increased predation, resulting in declining caribou populations. We recognize the importance of caribou recovery and conservation and have implemented initiatives designed to support this objective. For example, in 2021, a section of road at our Firebag site, within the Richardson caribou range, was decommissioned with the intention of returning the land to boreal forest caribou habitat to assist species recovery.

Suncor is a member of COSIA's Regional Industry Caribou Collaboration joint industry project. The project works with academics, the Government of Alberta and the ABMI Caribou Monitoring Unit to co-ordinate restoration in priority areas, find new ways to improve biodiversity understanding and restore habitat throughout northeast Alberta. These efforts all play a role in caribou recovery.

Land conservation

Both Suncor and Syncrude believe in the value of multi-stakeholder approaches to address industry impacts on the environment.

For almost 20 years, Suncor has partnered with the Alberta Conservation Association through the Boreal Habitat Conservation Initiative to secure areas of intact boreal forest and wetlands that preserve biodiversity. We have done this by ensuring components of the larger boreal forest ecosystem have remained undisturbed. To date, we have helped secure more than 4,000 hectares (ha) of ecologically sensitive land across 43 different conservation sites in Alberta as voluntary offsets.

In 2018, Syncrude joined the governments of Alberta and Canada, the Nature Conservancy of Canada and the Tallcree First Nation to create the Birch River Wildland Provincial Park, a conservation area of 330,000 ha, located near Wood Buffalo National Park. This partnership helped create the world's largest protected area of boreal forest and is intended to offset future Syncrude land disturbance.

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We're working hard to have a safe and inclusive work environment, while also building and maintaining relationships with local communities, Indigenous Peoples and stakeholders.

- > Safety
- > Health and wellness
- > Workforce
- > Inclusion and diversity
- > Indigenous relations
- > Community investment
- > Human rights

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Safety

Safety is our top priority.

One of the primary ways we demonstrate this is through our commitment to operational discipline and our Operational Excellence Management System (OEMS). This system ensures we use standardized processes, data and tools to reduce risk, simplify work and improve performance. It drives how we do work every day so we keep people and the environment safe while delivering reliable and efficient results.

We are committed to the well-being of employees and contractors. We work to ensure everyone, regardless of role or title, feels psychologically safe. It's important that our work environment is a place where people can confidently raise concerns, report hazards and encourage everyone to be a safety leader.

Our operations have changed in the past five years, from the start up of Fort Hills in 2018 to becoming operator of Syncrude in 2021. As our workforce and assets have grown, our focus on safety and our processes and systems continue to evolve. We recognize people make mistakes, and incidents can and do happen. We've expanded our focus to include not only preventing serious events and learning from errors, but also to having controls in place to minimize consequences when incidents happen.

Despite these processes and systems, fatalities occurred at Suncor's Base Plant mining operations on January 13, 2021, and January 6, 2022. We are deeply saddened by the loss of these individuals. The first incident involved a bulldozer that fell through ice. The second incident occurred when a heavy haul truck rear-ended another heavy haul truck while they were both driving up a mine haul ramp. A fatality also occurred at Syncrude before Suncor assumed operatorship in the fall of 2021. On June 6, 2021, Syncrude emergency crews responded to an incident involving an employee operating an excavator at its Aurora site. Unfortunately, the employee was fatally injured despite emergency response efforts. These incidents underscore the critical importance of focusing on safety above all else.

An externally led safety assessment was launched in 2021. Lessons learned prompted organizational and process changes in the mine, tailings and drilling areas of our business. We continue to investigate all incidents with a focus on the actions required to prevent such devastating and unacceptable results from reoccurring. We are focused on ensuring that every person goes home from work at the end of every day.

Evolving our safety journey

Our safety journey is organized into five themes that collectively contribute to eliminating workplace fatalities. Rather than treating all incidents as preventable, this work balances preventing incidents, mitigating consequences and planning for effective recovery when systems fail. It's human to make errors, so when errors do occur, we need to consider how to fail safely. Under this new approach, we are increasing engagement with our workforce to solve complex safety challenges, and design systems to mitigate serious harm when incidents do occur.

Environment

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Appendix

Safety

Operational excellence and risk management

To strengthen operational excellence and safety performance, and align with global best practices, we restructured the senior leadership team in 2021 to increase operational experience at the executive level and created a centralized Operational Risk Management (ORM) organization.

In establishing the ORM team, we have heightened our risk management and OEMS support by consolidating key services into one function. These changes will improve our performance by providing operations with the necessary support, processes and tools they need to more effectively identify and manage risk.

Audits, assessments and management reviews are in place to evaluate the effectiveness of controls and to provide leadership with the data required to continuously improve the OEMS. An example of this is the Towards Sustainable Mining (TSM) program. As part of the program, Suncor and Syncrude complete internal verifications annually on our safety and health management system, as well as crisis management and communications planning. An independent external assessment occurs every three years. Results of these reviews are reported publicly on the TSM website.

Operational controls

We're identifying and maximizing opportunities for safe work practices and procedures, regionally and company-wide. Audits and management reviews are in place to ensure our practices are effective and prevent the reoccurrence of similar incidents. This includes technology-enablement opportunities related to operational controls, such as electronic permitting systems at our sites. Frontline workers are helping create these new systems as we seek additional opportunities for standardizing how we work.

Emergency management

Effective emergency management is crucial in protecting people, property and the environment. All Suncor and Syncrude assets follow the principles of the international Incident Command System. This global system provides a standardized enterprise-wide approach to ensure effective and efficient response to incidents. It also aligns to the practices of governments, regulators and peers. All our operating sites follow a schedule of tabletop and field-based emergency drills. We followed this system to activate our pandemic response efforts.

Suncor's and Syncrude's health and safety management systems have been voluntarily externally audited under the Certificate of Recognition program for our Alberta assets. To be certified, third-party audits occur every three years, which include document reviews, employee interviews and site observations. Maintenance audits are required in the interim. Certification confirms the systems we have in place to protect our workers meet the provincial standards of Alberta Occupational Health & Safety and industry best practice.

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Appendix

Safety

Training

We are enhancing incident investigation training to embed findings in our work practices and implement mitigating actions. More than 97,500 hours were spent on environment, health and safety training in 2021 across the Suncor organization. This involved 165 control room operators who spent a total of 5,318 hours in formal simulator-facilitated training. Simulator training for mobile equipment operators and mine simulators is also used at a high rate.

Life Saving Rules

We see safety as having effective controls to protect workers from unplanned events and engage with our employees and contractors in safe work practices. Our company-wide Life Saving Rules support existing Suncor processes, programs and policies and are additional measures to protect employees and contractors. The 10 Life Saving Rules we follow align with the International Association of Oil & Gas Producers and Energy Safety Canada.

Health and safety performance

We undertook the largest annual maintenance program in our history in 2021 across our asset base, including a significant five-year planned turnaround at Oil Sands Base Plant Upgrader 2, significant turnaround activities at Syncrude and the biggest turnaround in Commerce City's history. To ensure the safe execution of activities at this scale, as well as those on a day-to-day basis, we use both leading and lagging indicators to help us make the best-informed decisions for our people and facilities. We also ensure demonstrated leadership across the organization, effective corrective actions and application of lessons learned.

Process safety and loss of primary containment incidents

Our ongoing focus on asset reliability and monitoring has resulted in a decrease in releases in 2021 at Suncor facilities, with loss of primary containment (LOPC) events continuing to trend down year-over-year.

We are also progressing our application of critical process safety programs. This includes identifying instrumented safeguards; implementing and stewarding maintenance programs to achieve the required level of risk mitigation; and monitoring and reporting impacts to our operating parameters. Our ongoing focus on process hazard analysis and management of change ensures we keep an objective eye on reducing risks in our operating areas. We continue to advance our digital transformation and implement new digital technologies across the enterprise to improve safety, productivity and reliability, and to reduce costs.

We offer low-risk, hands-on training for new and existing control room operators to learn or update safety-critical skills by performing tasks in a simulated environment. Training allows operators to respond quickly and correctly, facilitating responses in high-stress or emergency conditions. The use of simulator training provides high-quality training not possible with job shadowing alone and provides development training for operators, leading to improved confidence and performance both for themselves and their teams as a result.

Not all LOPC incidents are environmental in nature, but they are all related to process safety. LOPC is a lagging metric that we use to benchmark ourselves relative to the industry. Syncrude performance will be incorporated into Suncor corporate totals in the next reporting cycle. For additional information about this chart and its data, please refer to performance data footnote #12.

We continue to improve and strengthen pipe inspection plans to provide up-to-date health monitoring of our pipe conditions and life cycles. The robustness of our regulatory inspection programs ensures we continue to operate with an eye on safety above all else.

Safety

Recordable Injury Frequency (RIF)

Suncor and Syncrude recorded a full year RIF of 0.35 and 0.50 respectively in 2021. Suncor has maintained a low RIF trend for the last five years. Syncrude experienced an increase compared to 2020. As we learn from our events, we continue to focus on injury prevention and determining root causes. For example, cut-resistant gloves have been introduced at many of our operations to reduce hand injuries.

Lost Time Injury Frequency (LTIF)

Suncor's LTIF has remained stable over the past five years, while Syncrude's performance improved in 2021. Like RIF, the main causes of injury continue to be slips, trips and falls, and line of fire* incidents. We have implemented programs to address these safety issues. They include enhanced awareness of safety processes, the use of personal protective equipment and reviewing hazards before starting activities.

Serious Injury and Fatality (SIF)

Suncor is focused on eliminating fatalities and serious injuries at the worksite. Our SIF program emphasizes the value of reporting, investigating and managing potential SIF incidents. It encourages learning and improved safety performance across our operations. The goal is to bring increased visibility to SIF exposures, enabling the organization to identify and address their precursors. We had four SIF events**, including one fatality and three life-altering serious injuries, at Suncor in 2021.

We recognize the five-year trend in SIF events. We expect the evolution of our enhanced guidelines and targeted safety initiatives will allow us to make significant progress in identifying and reducing SIF incident risks.

Recordable injury frequency Injuries per 200,000 hours worked	17 0	18 0		20	21
O Suncor total	0.40	0.37	0.39	0.32	0.35
Syncrude total	0.45	0.47	0.44	0.31	0.50
O AMSA	0.53	0.48	0.56	0.45	0.53
O Energy Safety Canada	0.48	0.39	0.37	0.34	-
O IOGP	0.19	0.20	0.18	0.14	-

Lost Time Iniury Frequency	17	18	19	20	21
Injuries per 200,000 hours worked	8-	~	<u> </u>	- <u>0</u> -	~
	0-	_0_		-0-	-0
O Suncor total	0.03	0.03	0.04	0.04	0.03
Syncrude total	0.07	0.07	0.05	0.12	0.08
O AMSA	0.08	0.05	0.12	0.11	0.09
O Energy Safety Canada	-	-	-	-	-
O IOGP	0.05	0.05	0.05	0.04	-

Alberta Mine Safety Association (AMSA), International Association of Oil & Gas Producers (IOGP) and Energy Safety Canada safety data is used for benchmarking purposes, and is based on the most recent and best available data sets. Syncrude performance will be incorporated into Suncor corporate totals in the next reporting cycle. For additional information about this chart and its data, please refer to performance data footnote #12.

Syncrude performance will be incorporated into Suncor corporate totals in the next reporting cycle. For additional information about this chart and its data, please refer to performance data footnote #12.

^{*} Line of fire occurs when the path of a moving object or the release of hazardous energy intersects with an individual's body.

^{**} SIF events include the following incident types:

fatalities

⁻ any injury that requires immediate life-preserving rescue action, and if not applied immediately would likely result in the death of that person (life-threatening)

⁻ any injury that results in permanent or long-term impairment or loss of an internal organ, body function, or body part (life-altering).

Health and wellness

The safety and well-being of our people is of the utmost importance. As such, we're working to foster a culture that supports and enables everyone to be their best and contribute their best every day, in the workplace, at home and within their communities.

Well-being isn't one-dimensional. We take a holistic approach to wellness by understanding four interconnected elements of well-being – social, psychological, financial and physical – and their effect on overall health. We strive to foster a resilient and thriving workplace where we take care of each other and people feel safe and supported.

A focus on psychological safety and employee well-being

Foundational safety principles, such as mind on task, can only be achieved when we are healthy and well, both physically and mentally. We continue to evaluate the needs of our team and provide support to focus on overall well-being, including psychological well-being. Indicators of psychological well-being include a person's level of happiness, life satisfaction, contribution and positive mental health. These are critical components of being fit for duty. Those struggling with mental health issues can experience cognitive and physical fatigue, which can impair decision-making, decrease reaction time and attention to detail, and result in injury.

Resources and support

Resources are available year-round, including counselling support, to help people manage their mental health and work safely. Through these tools and resources, we empower leaders and individuals to take responsibility for well-being and embed that mindset across the organization.

Our training programs and resources promote a psychologically safe environment and help break the stigma around mental health issues. One example is the Mindfulicity web-based program launched in 2020 and available to employees, their families and contractors. The program, which has 10 modules relating to mental health, helps people focus attention, emotions and sensations in the present, while creating a psychologically safe and inclusive space for all.

We also launched Working Mind training in 2021 across the company. This gives leaders the necessary tools to support their team, promote psychological well-being and reduce mental health stigma. By the end of 2021, 500 leaders had taken the training. We have partnered with the University of Calgary to conduct research into its effectiveness.

We also support workers and their families through the Employee and Family Assistance Program (EFAP). EFAP is accessible 24 hours a day, and includes clinical counselling, workhealth-life services and professional advice. Counselling services can be booked online and are available in multiple languages and formats. We launched the Lifeworks Platform in 2021 as part of EFAP. Lifeworks provides added resources and toolkits for each of the four elements of well-being. Syncrude also used these services. Syncrude employees will be integrated into Suncor's health and wellness program in 2022. An inclusive workplace is a physically and psychologically safe workplace. In addition to company-wide resources, members of Health and Wellness work with various employee inclusion networks to promote well-being among their members.

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The pandemic has brought about so many more issues, not only at work but also in our day-to-day lives. Mental health is a complicated thing and the Mindfulicity modules break it down so it is easier to understand and talk about with others.

Darwin Storms Safety Coordinator Our approach

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Appendix

Health and wellness

Responding to COVID-19

Throughout the COVID-19 pandemic, our priority was keeping people safe. We focused on aligning with health recommendations in the jurisdictions where we operate. We were flexible and adapted to changing needs, conditions and protocols. We did this through:

- · establishing voluntary on-site vaccine clinics
- providing on-site and at-home rapid testing
- modifying and enhancing bussing, lodging and other work site safety protocols
- supporting vaccine and rapid screening confidence in the community by partnering with groups such as <u>19 to Zero</u>, <u>Faster</u> <u>Together</u> and the <u>Creative Destruction Lab</u> (CDL) <u>Rapid Screening</u> <u>Consortium</u>
- partnering with Immune Response Diagnostics, an affiliate of Toronto-based company International Point of Care, to launch Lumivi Diagnostics, a joint venture that provides COVID-19 rapid antibody tests.

Supporting the pandemic response, in August 2020 Suncor and 11 other companies formed the <u>CDL Rapid Screening</u> <u>Consortium</u>, a private-led, not-for-profit initiative with the goal of establishing a robust rapid screening system and implementation plan to share across Canada and then the world. The consortium, which also included Canada's biggest airline and grocery chain as founding members, now includes 2,000 companies and organizations. More than 1.5 million tests have been completed, with Suncor and Syncrude conducting the most tests in the consortium. CDL work concluded in March 2022.

Appendix

Workforce

A safe, talented and engaged workforce is key to our success. We believe to achieve our purpose and business objectives, we need the ongoing care of and for our people at all levels of the organization.

Workforce changes

Suncor has undergone significant changes to its workforce in recent years to improve efficiencies and our overall cost structure. Some of these changes included corporate restructuring and workforce reductions throughout 2021. An exit incentive program was also offered in 2021 to eligible employees to voluntarily leave the company. We also relocated our Mississauga and Oakville, Ontario, offices to Calgary, Alberta.

Recruitment and development

While we're supporting the growth and development of the team today, we're also planning for future workforce needs. We use an integrated workforce planning process to identify the skills and capabilities we anticipate needing across the company and hire locally where possible. This work allows us to strategize for and recruit the right balance of early talent, mid-career employees and senior contributors, ensuring our workforce meets our strategic needs now and in the future. We continue to monitor economic conditions to understand the labour market.

To build the skills and knowledge needed for careers in trades and operations, we partner with community and non-profit organizations as well as post-secondary institutions that offer training for our workforce. These organizations include <u>Women Building Futures</u> and <u>CAREERS</u>. We also offer opportunities to students through internships, co-op terms and an Indigenous Student Program. Due to the pandemic, student programs requiring site access were temporarily paused in 2021 to restrict access to essential workers only.



Suncor became the operator of the Syncrude Joint Venture Project on Sept. 30, 2021, assuming an additional workforce of about 4,700 people. The operatorship drives greater efficiencies and competitiveness across all Suncoroperated assets in the Regional Municipality of Wood Buffalo. Work is underway to integrate Syncrude employees into Suncor systems and compensation programs.





The 2021 values reflect full integration of Syncrude's workforce. For additional information about this chart and its data, please refer to performance data footnote #13.

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Workforce



Training, rewards and retention

We offer ongoing instructor-led training and self-led web-based training on a wide-variety of topics driven by our value of lifelong learning. This includes role-specific training, as well as company-wide and personal development training programs.

We introduced an internal sustainability learning site in 2021, designed to support every employee as they enhance their knowledge and understanding of sustainability content and concepts. This on-demand sustainability learning resource further embeds the collective competency of our employees and enhances decision-making across the organization.

Being purpose-driven and a leading energy company are key elements of our employee value proposition. With a comprehensive rewards package and diverse career opportunities, we attract, recruit and retain some of the most capable individuals in the industry. Our total rewards approach for employees is robust and includes competitive compensation, health and insurance benefits, career development, and pension and savings plans. Additional programs are also designed to enhance the quality of life for employees and their families, such as time-off programs, the employee and family assistance program, scholarships for dependent children and volunteer programs.

Suncor challenged itself in 2021 to reflect on the evolving needs of employees around work and life balance and flexibility, leading to the introduction of two new guidelines for the workplace: The Hybrid Work Guidance, which gives office-based employees, work permitting, the flexibility to work from home up to two days per week, and the Flexible Dress Code Guideline, a new standard for office dress that reflects the organization's trust and respect for the diversity and professionalism of employees. A core component of the Suncor Blended Learning Strategy is peer training and mentoring. Each operator must attend a Train the Trainer program that prepares them for their role as a peer trainer, leading to improved confidence and performance and contributing to a workforce that is truly "Stronger Together".

In 2021, there was a total of 350,000 hours of training and development, averaging 24 hours per full-time equivalent (FTE) employee. The spend on these training and development programs averaged \$1,500 per FTE employee.

Inclusion and diversity

To achieve our purpose, we must have a culture founded on trust and inclusion.

Suncor's goal is to create a great place to work for all by creating a work environment that provides everyone with the opportunity to meaningfully contribute to the organization's performance while feeling safe, valued and respected. This reflects a strongly held belief that organizational performance and social well-being are enhanced through a trust-based and inclusive culture, and a diverse workforce.

Measuring our progress

We monitor our progress using the Great Place to Work® employee survey tool, which measures trust, inclusion and managerial effectiveness. Year-over-year results improved in 2021 despite significant organizational change and pandemic disruption. The Trust Index score increased from 58% to 59%; the Inclusion Index score increased from 60% to 62%; and the Managerial Index score increased from 67% to 73%. Our goal is to achieve trust and inclusion index scores of 70% or higher and 80% or higher score for the Managerial Index.

Inclusion Index scores increased 1% and 6% for female and Indigenous employees respectively. We attribute these scores to ongoing employee and leader inclusion-oriented education and awareness building, the work of our Employee Inclusion Networks to create a sense of belonging, and our ongoing efforts to increase fairness by mitigating systemic bias in people processes.

Through voluntary self-identification, we also measure workforce representation for minority groups. Our aspiration is that our workforce representation mirrors the communities where we live and work.

For our executive leadership team, strengthening Suncor's culture is one of the organization's priorities for 2022 with a focus on:

- Leadership
- · Employee education and involvement
- · Programs, policies and practices

Leadership

Advancing inclusion and diversity involves ongoing alignment and development activities to ensure leaders at all levels understand expectations and have the necessary competencies. Leadership teams also leverage insights from the Great Place to Work[®] tool and diversity metrics to set goals and action plans that address barriers to an inclusive, fair and respectful workplace in their respective business areas.

Employee education and involvement

Many formal and informal learning opportunities are available to employees throughout the year. These include company-wide inclusion events; story-telling videos shared at events and meetings; lunch and learns and panel discussions; and programs covering topics such as unconscious bias, inclusive leadership and Indigenous cultural awareness. One type of event led by Suncor's Inclusion and Diversity Council is *Action for Inclusion: A conversation series*. This quarterly event covers a variety of inclusion and diversity (I&D) themes to bring people together. For example, one call focused on intersectionality, in which two individuals explored common elements of their identity and lived experiences as Black and Indigenous men, and how that common ground calls them to support each other.

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Inclusion, belonging and respect for diversity is for everyone – no matter our role, location, skill set, age, thinking style, gender, race, sexual orientation, culture... and everything else that makes each of us unique. This is about how we treat each other every day, how we ensure our corporate programs and processes are fair and equitable, and how all of us can thrive at Suncor.

Ken Saunders

Vice President, Engineering and Geoscience, and I&D Council Member

Launched in 2021, our *Inclusion Starts With Me* web-based training program highlights the importance of an inclusive and diverse workplace and how each of us can contribute to a great workplace for everyone. More than 400 employees have already completed the training. A Diversity, Inclusion and Belonging training course is also available to employees and contractors. Our approach

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Appendix

Inclusion and diversity



In recognition of Pride Month 2021, a permanent rainbow sidewalk was installed at our St. Clair Ethanol Plant in Ontario. The Progress Pride flag was also flown at all our operating sites throughout June.

Suncor's eight Employee Inclusion Networks are established by and for people with shared characteristics, ethnicities, interests or life experiences, and those interested in supporting and/or learning more about ways to build an inclusive workplace. The networks build a sense of belonging and community among members, and contribute to our ability to recruit and retain a diverse workforce. They also help inform the I&D strategy for the company, foster learning and build allyship.

Programs, policies and practices

Suncor develops programs, policies and practices to enable fair and equitable access to opportunity, development, recognition and advancement for all. Our <u>Equal Opportunity and</u> <u>Inclusion Policy</u> and supporting Respectful Workplace Standard outline our commitment to eliminating discrimination; celebrating and supporting each person's unique experiences and voices; and undertaking special efforts to attract diverse workers.

Workforce representation

Organizational changes and the integration of Syncrude employees changed workforce representation in 2021. Suncor's Indigenous representation increased to 5.3%, compared to 3.4% in 2020 due to Syncrude's high performance in this area. We are incorporating insights from Syncrude's decades of experience as we revise a workforce strategy that continues to demonstrate corporate leadership and meets the expectations of Indigenous communities.

Suncor workforce representation of visible minorities and persons with disabilities slightly decreased as Syncrude does not collect self-identification data of other minority groups.

Integration and organizational changes have also influenced gender representation for individuals in management roles, with females representing 29% and males representing 71%. While some progress was made in certain areas of workforce representation, there is still work to be done.

Workforce representation % of total workforce	17 0	18	19	20	21
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	0	_0_	_0_	_0-	 O_
🔘 Indigenous Peoples	3.00	3.10	3.27	3.40	5.27
Visible minorities	14.70	12.60	11.81	12.88	8.96
O Persons with disabilities	0.68	0.67	0.74	0.76	0.51



The 2021 values reflect full integration of Syncrude's workforce. For additional information about this chart and its data, please refer to performance data footnote #17.

Certain operating regions prohibit collecting information on gender; therefore, diversity data may not reflect our entire workforce due to data availability. Workforce diversity is calculated based on information provided voluntarily by employees. Indicators referring to ethnicity and disability reflect only those employees who have voluntarily self-identified.

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Indigenous relations

Partnering with Indigenous communities is foundational to successful energy development. Suncor's Calgary head office is located on Treaty 7 lands, the territory of the Blackfoot Confederacy (Siksika, Kainai, Piikani), Stoney Nakoda (Chiniki, Bearspaw, Wesley) and Tsuut'ina First Nations, and home to Métis Nation of Alberta, Region 3. We also operate and do business in many other Indigenous territories.

Our approach

We seek to build and grow authentic and meaningful relationships with Indigenous Peoples that are mutually beneficial. Beyond commitments outlined in our policies, both Suncor and Syncrude have <u>agreements</u> with Indigenous communities near our operations, including the Regional Municipality of Wood Buffalo (RMWB) in Alberta and Sarnia, Ontario. These agreements reflect how we work together on a range of matters from project consultation to realizing the benefits of commercial and business opportunities, as well as supporting skills, employment and training programs. All employees and contractors, as well as our joint venture partners, are responsible for following our policies. Suncor's Chief Executive Officer is accountable to the Board of Directors for ensuring that Suncor's <u>Stakeholder Relations</u> and <u>Indigenous Relations</u> policies are implemented.

Progressive Aboriginal Relations certification

One way we measure the effectiveness of our efforts is through the <u>Canadian Council for Aboriginal Business</u> <u>Progressive Aboriginal Relations (PAR) program</u>. Suncor and Syncrude have each certified at the highest level, Gold, multiple times with Suncor last certifying in 2020 and Syncrude in 2021. Both companies will recertify together in 2024. PAR is Canada's only certification program focused on best practices in Indigenous relations.

Journey of Reconciliation

In 2021, what was previously our social goal evolved to become the Journey of Reconciliation. The Journey of Reconciliation reflects our continued transformation within the organization and in relationships with Indigenous Peoples. It represents our commitment to continue to learn about Indigenous culture and history with open hearts and minds, to stretch our perspectives, and build genuine relationships with Indigenous Peoples based on mutual trust and respect. The Journey of Reconciliation is fundamental to our purpose and supports our strategy of becoming a leader in sustainability and the energy transition.

Reconciliation is critical to healing and deepening relationships with Indigenous Peoples. We all have a role to play. We are taking an active and meaningful role as outlined by the Truth and Reconciliation Commission Call to Action #92. We believe it is the right thing to do from a societal and business standpoint. Including Indigenous perspectives brings about innovation and different ways of approaching our work. By building strong relationships with Indigenous communities, we earn the trust and respect of true partners that help propel our business and navigate the everchanging landscape.



In honour of the first National Day for Truth and Reconciliation on September 30, Suncor held a company-wide sharing circle attended by more than 5,000 people. Hosted virtually, the Journeys Employee Inclusion Network led the sharing circle in which Suncor's executive leadership team and employees shared personal reflections about residential schools and the commitments they're making as part of their reconciliation journey.

Permission to use this Blackfoot concept of the Medicine Wheel was granted by Elder Casey Eagle Speaker

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Ø Appendix

Indigenous relations



Valuing Indigenous worldviews

We continue to learn and understand Indigenous ways of knowing and being through training and experiential learning opportunities online and in-person. Our web-based training is available both internally and to the public on our <u>website</u>*.

We're also working to integrate Indigenous perspectives and traditional knowledge in our operations where possible, supported through various advisory groups that include Indigenous Elders and community members.

Honouring Indigenous languages is a part of reconciliation. New signs were installed at our various oil sands sites in the RMWB in 2021 that include greetings in Cree (Tân'si) and Dene (Edlânet'é). With blessings and prayers by local Elders, we also raised tipis (i.e. teepees) at our Edmonton Refinery and Fort Hills site. The tipis provide a safe and sacred place for learning, reflection or practising ceremony. Suncor has also gifted 12 tipis to communities, schools and sites in Alberta.

Elder Phillip Campiou spoke at the event in Edmonton. He shared that the three tripod poles that support all the other poles stand for humility, respect and obedience. The tripod brings balance to the tipi and the tipi brings balance to your life.

Partnering with Indigenous business and communities

It starts with open and honest relationship building to understand common interests and learn how we can partner together for mutual benefit. Meaningful participation requires the ability to understand each other's desired outcomes, strengths and limitations.

In 2021, Suncor and eight Indigenous communities – three First Nations and five Métis communities in the RMWB – formed the Astisiy partnership to purchase a 15% equity interest in the <u>Northern Courier Pipeline</u> asset with a value of approximately \$1.3 billion. Suncor has also partnered with the Fort McKay and Mikisew Cree First Nations on the Thebacha Partnership (East Tank Farm Development), and is an equity partner in PetroNor, a James Bay Cree wholesale distributor. These equity partnerships provide a reliable and long-term source of income to the participating First Nations and Métis communities.



The 2021 values do not reflect Syncrude data. Work continues to expand training programs to Syncrude employees.

Astisiy

Astisiy is a historic partnership among Suncor and eight Indigenous communities. The 15% ownership in the Northern Courier Pipeline will provide long-term, stable revenues that will benefit the communities for decades to come. Astisiy is a Cree word that means "thread made from sinew," which is used in Indigenous beading and for many other uses.

* Please note that we are changing our language from "Aboriginal" to "Indigenous" after consulting with Indigenous communities and employees. Some references still require updating. Thank you for your patience and understanding as we make these changes.

Indigenous relations

Within our supply chain, our Indigenous Business Participation Strategy supports sourcing activity across the company. Working with local Indigenous businesses provides close and reliable talent and services. It also supports companies to invest revenues back into their communities. In 2021, 16% of Suncor's overall spend and 27% of Syncrude's overall spend were with Indigenous suppliers. Combined, this totalled more than \$2.4 billion in procured materials and services. Both Suncor and Syncrude made significant progress in 2021, compared to 2020, with combined spend increasing year-over-year by approximately 54%. But we know it's about more than the dollars spent, it's also about a focus on employment and understanding the impact on communities.

Suncor's work with Indigenous communities also remains strong through our Petro-Canada[™] business. As of 2021, we have 61 Petro-Canada[™] branded retail stations and wholesale marketing arrangements with First Nation and Métis communities.



Syncrude performance will be incorporated into Suncor corporate totals in the next reporting cycle. For additional information about this chart and its data, please refer to performance data footnote #15.

Petro-Canada[™] commissioned Indigenous artists to create murals at six locations across the country – Toronto, Ottawa, Montreal, Winnipeg, Calgary and Vancouver – with the sides of the stations as a canvas for the artists to share their experiences and history, and to reclaim their identity, language, culture and nationhood. The mural Connected was painted by Keegan Starlight, an artist from the Tsuut'ina Nation, west of Calgary, Alberta.



Strengthening Indigenous workforce and inclusion

We want Suncor to be an inclusive and diverse work environment where everyone feels valued and respected. We believe this supports strong business performance, differentiates us in our communities and helps us to attract and retain Indigenous employees who want to build meaningful careers for the long term. As of 2021, Suncor and newly integrated Syncrude have 919 Indigenous employees, which equates to 5.3% Indigenous representation in our workforce based on voluntary self-identification.

The Syncrude operation is a major employer of Indigenous peoples and has one of the highest workforce representations in Canada. In 2021, 10.6% of the Syncrude workforce were of self-declared Indigenous descent. Suncor is learning from Syncrude's efforts in this area.



The 2021 values reflect full integration of Syncrude's workforce. For additional information about this chart and its data, please refer to performance data footnote #17.

Indigenous relations

Journeys, Suncor's first employee inclusion network, continues to play an important role in supporting Indigenous employees to feel a sense of safety, pride and belonging within the company. Journeys has been pivotal in creating deep connections between Indigenous and non-Indigenous employees. The network hosts numerous events and cultural experiences throughout the year, including medicinal harvests, sharing circles and Indigenous Awareness Week events – inspiring employees to learn and take actions in reconciliation.

Suncor's Senior Indigenous Workforce Development Advisor manages skills, employment and training for Suncor's agreements with Indigenous communities. The advisor also works on initiatives such as training-to-employment programs in areas where Suncor operates, and the Oil Sands Regional Workforce committee, led by the Oil Sands Community Alliance (OSCA), to take a regional approach to mentorship and careers for youth in the Wood Buffalo region. The advisor is a resource to advise leaders and employees on Indigenous culture, protocols and knowledge and co-leads Journeys. Employees can participate in our Indigenous Employee Mentorship Program, and our Indigenous Student Program provides students with meaningful work experience across our operations.



A member of Journeys at a sage harvest at Nose Hill Park in Calgary, Alberta, which began with a smudging ceremony and a teaching at the Nose Hill Siksikaitsitapi Medicine Wheel.

Partnering with Indigenous youth

Indigenous youth and their voices represent the future. The Indigenous Youth Advisory Council (IYAC) works with Suncor, the Suncor Energy Foundation (SEF), our Indigenous and Community Relations team, and various senior leaders to listen, share, reflect and act on issues of mutual interest that affect Indigenous communities and the lives of Indigenous youth. It also supports young Indigenous leaders in developing their leadership potential while providing opportunities to participate in the energy system. The IYAC further strengthened relationships with leaders in 2021 through the formation of the IYAC Mentorship Program. The program focuses on reciprocal two-way mentorship between members of the SEF board and the IYAC.

We also partner with Indigenous youth through post-secondary institutions across Canada. Since 2019, a member of Suncor's Indigenous and Community Relations team in Sarnia, Ontario, has been part of a Lambton College planning committee, designing an Indigenous Outdoor Gathering Space for youth on campus. Indigenous members of the committee oversaw the entire process and provided valuable direction on the purpose and design of the space. Students at the college will use this space for ceremonies, learning and gathering year-round. It will also be a place where Indigenous and non-Indigenous students and members of the community can walk the reconciliation path together. Construction is expected to begin later this year.



In 2021, Indigenous Student Program participants helped Suncor celebrate National Indigenous Peoples Day by joining a panel where they shared inspiring stories and insights about who they are, their heritage and pride in being Indigenous.

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Community investment

Suncor has always contributed to the communities where we operate. Suncor, Petro-Canada™ and Syncrude make direct investments to support social, economic and environmental solutions in those communities.

This work is supported in large part by the programs of the <u>Suncor Energy Foundation</u> and the <u>Petro-Canada CareMakers Foundation</u>[™]. Suncor contributed almost \$36 million in 2021 to community, charitable and non-profit groups working on those solutions.

The Suncor Energy Foundation

The Suncor Energy Foundation (SEF) embodies our purpose of caring for each other and the Earth by working directly with communities seeking solutions to challenges today and for generations ahead. We combine community and Suncor strengths to find social, economic and environmental solutions to complex challenges. To bring this work to life, we focus on three interconnected pillars: strategic funding priorities, social innovation capacity and community presence. SEF increased its donations in these areas to approximately \$18 million in 2021.

Strategic funding priorities

Our <u>funding priorities</u> reflect a commitment to combining community and Suncor strengths to find social, economic, and environmental solutions. Through our donation partnerships, we are learning from and with Indigenous Peoples and others to strengthen community while the world is going through an energy transition. We are collectively experiencing many changes. We believe Indigenous knowledge and community strengths will help us adapt for the well-being of all.

Indigenous Clean Energy (ICE) is an Indigenous-governed non-profit that builds capacity among Indigenous communities and Peoples to play a central and leading role in the energy transition. ICE forges collaborative relationships with energy companies, utilities, governments and other organizations that are advancing a net-zero future. ICE supports Indigenous community energy planning, renewable energy implementation and a spectrum of clean energy innovation initiatives. Their diverse array of programs also amplifies youth participation in clean energy and promotes energy-efficient community infrastructure and housing. ICE uses SEF support to deepen Indigenous leadership and participation in clean energy projects through more intensive collaboration, entrepreneurship, global outreach and innovative financing models.

Social innovation capacity

We define social innovation as any initiative, product, process, program or design that challenges or changes society's actions and beliefs. Successful social innovations create long-term transformative and positive results. As part of our strategy, we aim to build capacity for social innovation, including within Suncor.

Community presence

Suncor and SEF invest in local communities where we have operations across Canada and internationally. One example is <u>our support</u> for <u>Youth Fusion/Fusion Jeunesse</u> based in Quebec. This organization works with students in elementary and secondary schools to engage them in experiential learning.



Suncor's total community investment contributions reflect our 58.74% equity ownership of the Syncrude Project. For additional information about this chart and its data, please refer to performance data footnote #16.



For additional information about this chart and its data, please refer to performance data footnote #16.

Through COVID-19, the <u>Banff Centre</u>, faculty members from the systems thinking and leadership program, and SEF worked together to build a new entity called the <u>Wolf Willow Institute</u> to build on previous programs. The Institute will enable leaders and influencers to come together and develop leadership capacities to affect change in a complex world.

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Community investment

We also offer employee engagement, volunteering and donation opportunities through our <u>SunCares program</u>. SunCares inspires employees to contribute to communities and supports the causes that are important to them.

Through SunCares, almost \$6.8 million was contributed to communities in 2021, an increase from previous years due to an employee-focused Giving Tuesday campaign.

- \bigcirc
- **27% employees participated company-wide**
- 80,000 hours volunteered by Suncor employees in the community
- 1,800 community organizations supported



Suncor is recognized as an <u>Imagine Canada Caring Company</u> for its leadership in community investment.



For additional information about this chart and its data, please refer to performance data footnote #16.

It's almost like you're giving me a little raft, and now I know I won't go under.

Participant in Circle of Care family caregiver support group, funded by Petro-Canada CareMakers Foundation™



Syncrude

Syncrude has helped support essential community services and initiatives for decades in the Regional Municipality of Wood Buffalo and beyond. Whether it is investing in local infrastructure, stocking the food bank or opening the doors to learning, Syncrude made a difference in the communities where employees live and work.

Syncrude donated approximately \$5 million in 2021 to community organizations, bringing its total to more than \$40 million since 2015. This also included donations through the Good Neighbours program (grants to non-profit organizations where employees volunteer and educational matching grants) and support to the United Way.

Petro-Canada CareMakers Foundation™

Since introducing the <u>Petro-Canada CareMakers Foundation™</u> in 2020, we've made a difference in the lives of caregivers who are devoted to helping loved ones. The CareMakers Foundation™ creates awareness about family caregiving in Canada. We inspire Canadians to help by raising funds to enable and amplify the work of Canadian charitable organizations that support caregiving.

In year one, Suncor contributed \$2 million to the CareMakers Foundation. The Foundation receives contributions from Suncor, the proud owner of Petro-Canada[™], as well as other corporate and individual donors. The Foundation awarded \$1.7 million in national grants in 2021 and approved approximately \$500,000 through local grants across nine provinces. Some of the foundation's early successes include:

- launching online learning modules to educate Canadians about caregiving
- hosting an annual roundtable of experts and advocates to better understand the key issues facing caregivers every day
- raising funds through Suncor employee activities, Petro-Canada[™] associates and all Canadians, including launching the national 19-Hour Care Commitment fundraiser.

As its profile grows among Canadians, the Petro-Canada CareMakers Foundation™ continues to demonstrate our purpose and complements our other community investment activities.

Human rights

Suncor is committed to preserving and protecting internationally recognized human rights.

We work to avoid infringing on the rights of individuals and groups. These rights include those set out in the United Nations Universal Declaration of Human Rights and the International Labour Organization Declaration on Fundamental Principles and Rights at Work. Our approach to human rights applies to all our business activities and extends to our business relationships. We are working to align our practices with the United Nations Guiding Principles on Business and Human Rights. Suncor also supports the United Nations Declaration on the Rights of Indigenous Peoples and the Truth and Reconciliation Commission of Canada Calls to Action as a framework for reconciliation. We aim to achieve the intent of these protocols and principles.

Syncrude has policies related to business conduct, ethics, labour rights and Indigenous engagement. Work continues to integrate these in support of our human rights commitments.

Our human rights guiding principles

Our human rights guiding principles focus on four areas: supply chain, communities, security and workforce.

Supply chain Communities Our Supplier Code of Conduct (COC) highlights values important We're developing and maintaining positive, meaningful to Suncor. The COC: relationships with stakeholders, communities and Indigenous Peoples by: • guides the standard of behaviour required of all suppliers, contractors, consultants and other third parties with whom • working to positively contribute to the communities where we do business we operate addresses topics such as safety, human rights, harassment, · working with local stakeholders, communities and bribery and corruption, and confidential information, among Indigenous Peoples to define an appropriate way to: others share information · reinforces our focus on sustainable development and - consider interests and impacts encourages our business associates to work with us to - incorporate feedback, at all stages, in a manner that seek ways to reduce environmental impacts, support the respects local and traditional decision-making processes communities in which we operate and collectively achieve · working to minimize our impact on the environment and economic growth. recognize its cultural significance to the communities where Compliance with the COC is a standard requirement for all we operate Suncor supply chain contracts. • recognizing the unique legal and constitutional rights of Supplier Code of Conduct Indigenous Peoples, including Treaty rights · seeking to understand and respecting Indigenous Peoples' histories, customs, beliefs and traditions • continuing our Journey of Reconciliation to progress the

based on feedback from employees and Indigenous communities. Some references still require updates, including the Canadian Aboriginal Relations Policy and the Aboriginal Awareness web-based training.

way we think and act to build mutual trust and respect with

* Suncor has started to transition its language from "Aboriginal" to "Indigenous"

Indigenous Peoples

Stakeholder Relations Policy

Canadian Aboriginal Relations Policy*

Governance

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Human rights

Security

We respect the human rights of our workforce and nearby communities, while maintaining the safety and security of our personnel, assets and operations:

 Our security policies and guidelines honour the spirit of international human rights principles and the laws of the jurisdictions where we operate.

We adhere to the Voluntary Principles on Security and Human Rights.

Corporate Security Policy

Workforce

We are committed to advancing responsible labour practices. We treat our personnel with respect and dignity. We endeavour to provide an environment free from discrimination, harassment and violence:

- Our employment policies adhere to all applicable domestic laws and are consistent with internationally accepted labour standards. These include:
 - freedom of association and collective bargaining
 - non-discrimination
 - forced labour
 - underage workers.

As part of the <u>Towards Sustainable Mining standards</u>, Suncor and Syncrude undergo third-party assessments every three years and are confirmed to have processes in place that prevent child and forced labour.

- We want our workplace to be an inclusive and diverse environment. This includes removing systemic and programmatic barriers to workplace participation and progression so individuals can fully contribute and pursue their potential.
- We value safety above all else and believe it is everyone's shared responsibility.
- We champion the physical, psychological and social wellbeing of our employees and communities.

Equal Opportunity & Inclusion Policy Environment, Health & Safety Policy

Access to remedy

Engaging with communities is an important part of our approach to managing human rights and providing access to rectify, or remedy, a situation. We have regional-specific processes in place. Our Stakeholder Information Management System is Suncor's primary database for:

- · documenting and reporting on consultation activities, legal requirements and commitments
- · recording stakeholder engagement activities to better understand interests and concerns
- supporting institutional memory and other internal processes (e.g., grievances, complaints).

We provide and facilitate access to remedies through the Suncor Integrity Hotline, which is available 24/7 to employees, contractors and the public. All reports are taken seriously and are investigated.



Governance

- > Ethics
- > Corporate governance
- > Risk management
- > Supply chain

To live Suncor's purpose of providing trusted energy, we embrace long-term thinking and strategies. With sound governance and committed leadership, we have created a strong foundation for resilient and sustainable energy development.



Ethics

Acting with integrity is one of our core values and is embedded in every aspect of our business.

Our Compliance and Ethics Program fosters an ethical culture and raises awareness of our Standards of Business Conduct Code to mitigate corruption and other compliance risks. The Code sets out the basic rules, standards and behaviours that all Suncor employees, contractors and members of our Board of Directors must follow. It addresses a wide range of topics centring on ethical decision-making, including conflicts of interest, harassment, bribery, corruption, insider trading, competition, accounting and business controls. Our Program is designed to support the Code and promote a culture of integrity within Suncor that requires ethical conduct and compliance with the law.

Suncor's workforce must complete annual training about our Code and affirm that they've read <u>The Way We Do Business</u> and comply with the Code. The Way We Do Business summarizes all of Suncor's policies, guidance and standards that make up the Code.

Our <u>Equal Opportunity and Inclusion Policy</u> highlights and reinforces Suncor's commitment to providing an equal opportunity, non-discriminatory and inclusive work environment. Our <u>Respectful Workplace Standard</u> describes the requirements for supporting an inclusive and respectful work environment at Suncor.

We encourage people to raise concerns about suspected violations of our business conduct code with these teams/departments:

- Management
- Legal compliance
- Corporate Security
- Human Resources
- Internal Audit

People can also confidentially raise concerns through Suncor's Integrity Hotline, available 24/7 to employees, contractors and the public. All reports are taken seriously and investigated by our Corporate Security or Human Resources teams. Our report volume reflects a well-functioning reporting system and our efforts to increase awareness of the hotline throughout the organization.

Suncor's program is mature and well-established. We monitor best practices and look for opportunities for improvement. Work continues to expand our program to Syncrude employees.

96% of employees completed the Annual Standards of Business Conduct training in 2021.

After Suncor took operatorship of Syncrude in September 2021, their integrity hotline reports for the three months of operatorship in 2021 were included within Suncor's total.

Corporate governance

Through sound governance and committed leadership, we have created a strong foundation to ensure our company's resilience in energy development. Suncor's commitment to robust governance is recognized by its first-place ranking amongst energy companies for seven years in a row in the *Globe and Mail*'s annual Board Games.

Our governance structure includes our Board of Directors and its committees, together with our executive team.

The board's responsibilities include governance, strategic planning and stewardship of Suncor, including identifying and mitigating principal risks such as carbon risk.

A diverse and experienced board

Suncor's board includes directors with a range of perspectives, insights and views on the issues affecting the organization. The board continuously assesses required skills and capabilities, and through the Governance Committee ensures a robust process for recruitment of new board members. In addition to ensuring depth of experience, we search for individuals from diverse backgrounds with regard to gender, members of visible minorities, Indigenous status, age, persons with disabilities, business and operational experience, professional expertise, personal skills, stakeholder perspectives, geographic background and other attributes. The company has a diverse and experienced board, with Indigenous representation for over two decades and 36% female directors.

Environment, social and governance

Environment, social and governance (ESG) is embedded in director recruitment, board evaluation and committee representation. The board's skills matrix was revised in 2021 to separate "EHS (Environment, Health and Safety) and Social Responsibility" into two skills: "EHS" and "Social Performance."

Suncor's board practices regarding performance evaluation and compensation consider ESG factors by:

- evaluating senior executive performance annually against well-defined goals that support and reinforce our business objectives, including ESG performance
- considering our performance against enterprise-wide sustainability goals related to safety, environmental (including greenhouse gas (GHG) and social performance, to determine the annual incentive payment amounts for the Chief Executive Officer and the rest of the executive.

Executive compensation

Executive compensation plans are a principal component of Board oversight. They are closely tied to our strategy, risk management, business objectives, sustainability and performance. Starting in 2022, a component of executive compensation will be determined by progress relative to the company's climate initiatives. By linking long-term executive compensation to climate-related initiatives, we reinforce Suncor's objective of attaining net-zero emissions by 2050. Vesting of the initial award will be based on progress from 2022 through 2024 toward our 2030 commitment to reduce annual GHG emissions by 10 megatonnes (Mt) across our value chain. The program is applicable to individuals in vice president or higher roles and is in addition to safety and sustainability measures included in the annual incentive plan.

For more information on the board's skills, demographics and depth of experience see our <u>2022 Management Proxy Circular</u>.

For additional information about this chart and its data, please refer to performance data footnote #17.

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Corporate governance

Suncor's governance structure

Through strong leadership and corporate structure, economic, environmental and social issues are evaluated holistically as part of Suncor's strategic decision-making process. Governance starts with our board of directors and its committees, with clearly defined and distinct oversight roles to protect the interests of our shareholders and the best interests of the company as a whole. Governance is executed by our executive management team, which integrates key operational and functional accountabilities for maximum efficiency and effectiveness. The executive management team also includes a Chief Sustainability Officer and Chief Climate Officer who support our 25-plus years of dedication to improving sustainability and increasing transparency and reporting across Suncor.

Audit Committee

The Audit Committee monitors the effectiveness and integrity of the Corporation's internal controls of Suncor's business processes, including financial and management reporting systems and internal control systems. It monitors and reviews financial reports and other financial matters. The committee also selects, monitors and reviews the independence and effectiveness of external auditors, and the effectiveness of internal auditors, excluding the Operations Integrity Audit department (which is within the mandate of the Environment, Health, Safety and Sustainable Development (EHS&SD) Committee). Certain financial matters are also approved by this committee on behalf of the board.

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Corporate governance

Human Resources and Compensation Committee

The Human Resources and Compensation Committee oversees and manages matters relating to executive compensation, incentive plans and talent management. It directs executive compensation and the compensation guidelines that support Suncor's overall business strategic objectives. The committee supports matters related to succession planning for the CEO and executive roles; oversees any significant compensation, pension and benefits programs for employees; and reviews industry, regulatory and compensation governance principles and their possible effect on Suncor's human resources policies and practices. This is complemented by providing oversight of human capital management including culture, inclusion and diversity and employee engagement.

Governance Committee

The Governance Committee oversees and manages matters relating to Suncor's corporate governance practices and principles. The committee assesses and makes recommendations with respect to the board's compensation, structure, composition and processes. It evaluates the board's effectiveness and facilitates director onboarding and the continuing education needs of the directors. It provides input on key strategic initiatives, long-range planning and budgeting, and key matters pertaining to corporate culture.

Environment, Health, Safety and Sustainable Development Committee

The Environment, Health, Safety and Sustainable Development (EHS&SD) Committee oversees and manages matters relating to environment, health, safety and sustainable development. The committee reviews Suncor's Operational Excellence Management System – an overarching framework to manage operational risk – and makes recommendations to the board about Suncor's strategies and policies on EHS&SD. It also reviews management's performance and emerging trends and issues in the EHS&SD space to anticipate future challenges and position the company to minimize risks. The committee reviews management stewardship reports and the findings of significant external and internal environmental, health and safety investigations, assessments and audits. Disclosure on lobbying activities is also reviewed by the EHS&SD Committee.

Chief Climate Officer

Martha Hall Findlay was appointed Suncor's first-ever Chief Climate Officer in the beginning of 2022. In this role, Martha plays a key role providing leadership both internally and externally for Suncor with respect to climate and energy. This appointment reflects the importance of managing climate risk and making progress towards our strategic objective to be net zero by 2050.

Risk management

Risk management is fundamental to achieving business goals and requires a culture of operational discipline.

We make data-informed, risk-based decisions guided by sustainability considerations. We are governed by our guiding principles for risk management. This requires ongoing identification, assessment, treatment and monitoring of risks inherent to our assets, activities and operations. Some risks are common to operations. Some are unique to Suncor. Our risk management program aligns with the International Organization for Standardization guidelines (the ISO 31000 Risk Management – Guidelines), which have been adopted by the Standards Council of Canada. The guidelines provide principles, a framework and a process for managing risk.

Our risk management practice is governed by our risk management policy and supported through processes and tools, such as a risk matrix.

Increased political and policy changes, activism and uncertainty about regulatory processes have added significant financial, social and climate risk to Suncor. To address these risks, we have an integrated policy and regulatory issues management process that takes a disciplined approach to managing these issues.

Identifying principal risks

Principal risks have the potential to materially affect our ability to meet or support our strategic objectives. In the constantly evolving energy business, new risks can emerge while established risks can take on new forms or orders of magnitude. We manage the identification of new principal risks through our critical and principal risk processes. These risks are further outlined in our Annual Information Form, and include:

- carbon
- · commodity price
- · cumulative impact and pace of change
- · government and regulatory policy
- digital and cybersecurity
- major operational incident (safety, environmental and reliability)
- market access (e.g., pipelines, rail and marine)
- strategic agility in the energy transition
- tailings management, dam integrity and mine closure.

Risk governance

Suncor's Board of Directors and Audit Committee are responsible for oversight of our principal risks and ensuring systems are in place to manage their impact. All principal risks are reported annually to the board and include details on what is being done to address the risks, how they are being monitored and any changes in the risk profile.

Each business unit and functional area mitigates and reports on critical risks in their areas of business. Risk oversight roles are assigned to manage identified risks and are supported by dedicated risk co-ordinators in each business area. Measures are in place to effectively implement and monitor risk management decisions.

Our 2021 Annual Information Form (dated February 23, 2022) provides an overview of risks to Suncor and its businesses. Carbon risk has been included as a principal risk since 2016. With climaterelated risks and opportunities featuring more prominently in our business planning and risk management activities, Suncor reframed its "portfolio development and execution" and execution risk in 2022 to emphasize "strategic agility in the energy transition." All principal risks undergo an annual review by the board's Environment, Health, Safety and Sustainable Development Committee.

Risk assessment and evaluation

We use a single risk-matrix tool to align the company on terminology and approach. We consistently assess risks in terms of magnitude of consequence and likelihood. The tool helps assign responsibility for different levels of residual risk. The consequences are based on the following five receptors on the risk matrix:

- · Health and safety
- Environmental
- Regulatory
- Reputation
- Financial impact

We also use the matrix to evaluate emerging risks and their impact on the business. Examples of emerging risks include cybersecurity relating to supply chain, inflation and geopolitical developments. 6 Environment

Risk management

Operational Excellence Management System (OEMS)

OEMS establishes the requirements to operate safely, reliably and cost efficiently to continually improve our performance. It further promotes:

- systematic management of operational risk
- · achievement of our operational objectives
- · prevention and mitigation of environmental and social impacts
- · development and sharing of best practices.

The management review cycle, with leadership engagement and support, ensures continual improvement and identification of material opportunities to progress. Our ISO 14001 and 9001 certified facilities, primarily our refineries, are subject to verification audits. Internal assessment teams conduct a process-based audit focusing on significant aspects, risks and objectives required by the ISO 14001 standard. Suncor's business units must conduct annual self-assessments against the requirements of the OEMS standard and are also subject to OEMS audits.

Sustainability considerations in project development

Integrating sustainability into project development helps us factor emerging policy, environmental and societal considerations into development decisions. Over time, this promotes organizational understanding of sustainability considerations and competencies, resulting in further opportunities for environmental and social performance improvements. It leverages technology and advances the sustainability mindset to drive toward our purpose. Our governance framework ensures we embed sustainability considerations into planning and decision-making for new projects. We're committed to improving environmental performance, thoughtful collaboration and meaningful stakeholder relationships that underpin our performance. Strategic guidance is further integrated into our investment evaluation process, which includes a focus on environmental, social and governance considerations, and supports our objectives.

Suncor's strategic priorities drive decisions about our portfolio, consistent with project development and execution efforts. Our Asset Development Execution Model ensures collaboration and engagement early in the project development cycle and articulates multi-criteria requirements, including:

- early categorization and screening of environmental and social impact risks, as well as opportunities
- differentiating development options based on alignment with strategic priorities, goals and establishing project-specific sustainability criteria through the concept selection process
- incorporating sustainability risks into the project's risk management process and identifying related enterprise risks or opportunities
- defining project sustainability performance impacts that inform leadership decision-making
- identifying opportunities for evaluating and deploying new technologies that help us achieve sustainability goals.

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Supply chain

Driven by our purpose, we continue to integrate sustainability within our supply chain management and field logistics business.

Not only are we increasing the value to our business and generating mutual efficiencies with competitive businesses and suppliers, we are also addressing the environmental and social effects of our procurement decisions. The sustainability focus within our supply chain processes and partnerships supports Suncor's purpose and demonstrates leadership in environmental and social governance.

We continue to partner with suppliers who share our values and align with our strategic objectives: seeking opportunities to reduce environmental impacts, supporting the communities where we work and live, and collectively contributing to economic growth. We engage with our suppliers on their sustainability performance by:

- assessing sustainability performance as part of prequalification, awarding of work and ongoing supplier performance
- gathering data to understand the effects of our supply chain, which helps us make more informed decisions
- evaluating sustainability risks and opportunities in our supply chain
- building relationships with like-minded suppliers to accelerate innovation and sustainability performance.

Sustainable development approach

To guide our decisions on who we work with, all businesses and suppliers must pre-qualify to provide services or materials to Suncor by answering a series of questions, including on sustainability. This allows us to assess if or how sustainability is embedded within their company. The questions address topics such as safety goals, Indigenous relations/ participation, climate change, human rights, inclusion and diversity, community investment and social innovation. Our Supply Chain Qualify and Select Supplier process follows the pre-qualification process and helps inform purchasing decisions.

To align with our sustainable development approach, all suppliers must comply with Suncor's Supplier Code of Conduct. While codes of conduct (COC) across the industry are evolving, we are proud to be an energy industry leader in this space. We introduced a process in 2021 that asks suppliers if they have their own COC. If a company does not have one, it allows us to have a conversation and conduct education and awareness training on the importance of a COC.

Our progress

Our suppliers are located across Canada and in 18 other countries around the world. Suncor and Syncrude together spent approximately \$13.5 billion with suppliers in 2021, which means our sustainability reach can extend as far as our economic impact.

Working with our suppliers to understand social and environmental impacts

We continue to engage with our key suppliers and industry partners to accelerate innovation and sustainability performance. Suncor and our key suppliers share best practices to achieve continuous improvement in sustainability performance throughout the value chain. These discussions also contribute to a different way of assessing our suppliers' service offerings. Internally, there is increased awareness regarding opportunities to improve our social and environmental outcomes across the company.

Syncrude performance will be incorporated into Suncor corporate totals in the next reporting cycle. Refer to the 2022 sustainability performance data document for Syncrude performance on a separate asset basis. For additional information about this chart and its data, please refer to performance data footnote #15.

Engagement towards reducing scope 3 emissions

While we work to reduce our own GHG emissions, we want to work with suppliers to help reduce theirs. For example, a limited number of suppliers can produce pipe that meets Suncor high standards and technical specifications for drilling and completions pipe so collaboration is key to success. In 2020, Suncor purchased over 5,000 tonnes of steel casing from Tenaris, all from the Tamsa facility in Mexico. Tenaris Tamsa is one of the leading manufacturers of seamless steel pipe and accessories for the energy industry and has been recognized as the first green building in the steel industry, also receiving LEED certification. Tenaris is committed to using a high proportion of recycled steel scrap in the metallic mix, carrying out investments to increase energy efficiency and the use of renewable energy for a portion of its energy requirements. They continue to pursue the highest environmental standards integrated into all management processes. Their 2030 goal of reducing CO₂ intensity per ton of steel (scope 1, 2 & 3) to 2018 levels demonstrates global leadership and supports Suncor's emissions goals. For additional scope 3 disclosure, please see our 2022 Climate Report.

🛄 Governance

Appendix

Supply chain

Working with Indigenous suppliers

Working with Indigenous suppliers is an important part of our supply chain. Our Indigenous Business Participation Strategy aligns teams across Suncor with our approach to meeting our commitments and supporting meaningful engagement, while ensuring agreements are mutually beneficial. To advance Indigenous business activities, we have a self-serve tool for employees to identify current and potential Indigenous suppliers. There is significant rigour around relationship management, annual priority setting, and introductory meetings with new Indigenous suppliers to discuss new service offerings and opportunities. Additional information on our work with Indigenous businesses and communities can be found starting on <u>page 41</u>.

Suncor and Syncrude together have spent more than \$14 billion since the early 1990s with Indigenous businesses and suppliers across Canada. Suncor's overall spend with Indigenous businesses increased to 16% in 2021 for a total of \$1.5 billion. We have moved away from having an Indigenous spend goal to instead focus on shifting mindsets to understand that working with Indigenous suppliers is just how we do business. Making decisions through this lens allows us to maintain our commitments to advance Indigenous business, as well as focus on quality improvements that go beyond spend, such as employment and direct impact to communities.

Syncrude continues to spend and invest with Indigenous and local communities. In 2021, \$973 million in services and supplies were procured directly from Indigenous-owned businesses, representing 27% of the operation's annual purchasing. As part of the Syncrude integration with Suncor, we have now combined monthly stewardship with communities in the Wood Buffalo region. Additional work is underway as we work towards full integration by 2023. We are seeing deeper engagement with Indigenous communities as part of their partnership agreements. An example is the significant capital investment that Mikisew Group of Companies, a majority owner in the Mikisew North American partnership, has made in heavy haul equipment. This investment provides various benefits, including the equipment being used within Suncor's oil sands operations, strengthening involvement in the partnership and increased benefit for the community.

In 2021, members of the Suncor supply chain team participated in various industry discussions focused on economic reconciliation. They also met with more than 30 non-Indigenous suppliers to share Suncor's Indigenous Business Participation Strategy to support other companies in developing their own Indigenous business participation strategy. As a leader in this space, it's our responsibility to take others with us on this reconciliation journey.

Ø Appendix

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- > ESG disclosure index
- > Performance data
- > Performance data footnotes
- > Independent practitioner's assurance report
- > Advisories

About our report

Our Report on Sustainability reflects our commitment to continually monitor and assess the impacts and benefits of our business, and effectively share these efforts. We value disclosure as a foundation for engagement and support efforts to drive consistency and comparability of sustainability performance data.

Scope

We present our sustainability priorities and key performance metrics, reflecting consolidated company-wide data only for the assets we have operated for an entire calendar year (unless otherwise stated). More detailed facility and business segment performance, where applicable, is available on suncor.com. Suncor assumed operatorship of the Syncrude Project on September 30, 2021. Suncor's equity interest of 58.74% does not change. In this year's report, key indicators from Syncrude are highlighted throughout the content and included separately in the 2022 sustainability performance data document available for download on suncor.com. As Suncor's operatorship of the Syncrude Project occurred at the end of the third quarter in 2021, Syncrude data is not integrated into Suncor's corporate-wide totals. The only exceptions are equity greenhouse gases (GHG) and community investment data, which is represented as Suncor's equity share and consistent with previous reports, and workforce and diversity data, which is fully integrated.

Our <u>2021 Annual Report</u> provides financial performance and information about our business.

Our <u>2022 Management Proxy Circular</u> provides information regarding our Board of Directors and compensation practices.

Reporting period

Performance data presented in this report reflects our activities from January 1 to December 31, 2021, unless otherwise stated. Where possible (or as appropriate) we've included historical data trends. The 2021 and historic data for Syncrude have been added and is available for download on suncor.com along with Suncor's other assets within the 2022 sustainability performance data document. Information regarding events or activities in the first half of 2022 may also be included. Third-party review and assurance is completed by Ernst & Young LLP on selected performance indicators for the year ended December 31, 2021, driven by various reporting frameworks and sector disclosures. All assets, including Syncrude, have been assured for applicable KPIs. Refer to the <u>2021 Independent practitioner's assurance report</u>.

Restatements

Historic numbers are sometimes adjusted due to, for example, changes in reporting principles, calculation errors, changes of calculation factors used by authorities, or re-classification of incidents after investigations. We restate historic numbers and explain the changes if the adjustment meets our restatement minimum threshold.

Reporting frameworks

We use a number of reporting frameworks to identify and report on our material sustainability factors, including:

- Global Reporting Initiative Standards in accordance with universal and topic standards, and informed by oil and gas sector standards
- **IPIECA** sector-specific sustainability reporting guidance for the oil and gas industry
- Sustainability Accounting Standards Board industryspecific standards
- Task Force on Climate-related Financial Disclosure –
 recommendations
- **United Nations Global Compact** this report fulfils our Communication on Progress, and supports their 10 principles guiding our approach to sustainability
- United Nations Sustainable Development Goals we support these 2030 global development priorities, and we share our perspectives on contributing to a number of the goals through our work.

"

We are pleased to demonstrate our support for the United Nations Global Compact and its 10 principles, which guide our approach to human rights, labour, environment and anticorruption for all our operations.

Mark Little President and Chief Executive Officer About our report

Materiality: Identifying sustainability priorities

An important step in preparing our Report on Sustainability is reviewing the most relevant sustainability priorities for our business and those that matter most to our stakeholders. In 2022 we used the formal materiality assessment completed throughout 2020 to 2021 as it accurately considered a broad range of perspectives. We appreciate all feedback and engagement we get from internal and external stakeholders as it provides an opportunity to evaluate our priority topics for our Report on Sustainability. Through 2020 and 2021 we reviewed priorities for our report to define issues that are of relative significance to environmental, social, governance priorities and their impacts (both positive and negative) both to our business and to our stakeholders. The following internal practices were used to identify and assess sustainability priorities across our business and topics for our report.

1. Input

- Stakeholder engagement: Build and maintain relationships with local communities, Indigenous Peoples and stakeholders, and meaningfully consider: (i) their issues and concerns affected by our operations; and (ii) through their actions, affect our business.
- Issues research: Conduct ad hoc issue research, peer benchmarking and review of previously identified priority sustainability topics.
- Trends: Assess trends and conduct best practice analysis, including reporting best practices.

2. Analysis

- Rank and prioritize topics considering a range of perspectives internally and externally through surveys, workshops and knowledge sharing.
- Evaluate in line with our annual enterprise risk management process.
- Determine relevance, informed by a number of sustainability reporting frameworks.

3. Assessment

 Prioritize topics, which could have a significant impact on Suncor's business success or that would substantively influence the assessments and decisions of stakeholders over the next one to three years.

4. Ongoing engagement

We operate in a complex environment with increasingly polarizing views about the energy industry. We believe that engaging with others will help us find solutions to our shared challenges.

We work to ensure Suncor is regarded as a Canadian business leader on all dimensions of sustainability – economic, environmental and social – so that we are a welcomed and influential participant and contributor to the energy system transformation.

To support our position as a Canadian business leader, we engage with a wide range of diverse stakeholders to consider their issues and concerns about our operations and the effects of proposed development. This includes working together to mitigate potential social, environmental and economic impacts, and ensuring that local communities benefit from development. We engage with stakeholders in multiple ways, including meetings, workshops and conferences. Not only does broad engagement support the operation of our base business, it also helps us to:

- · assess our impacts and identify solutions
- explore new business opportunities
- support research, technology and innovation across the company
- embed sustainability across our entire energy system.

We seek to engage with partners in an atmosphere of mutual respect, knowing there will be times when we work with partners that don't support elements of our business or have different perspectives than ours. We welcome different opinions and perspectives that help us work toward the greater good and drive positive change.

When it comes to our workforce, we believe in engaging our employees and building a culture where feedback is encouraged. Employee engagement is especially important in maintaining strong business delivery in times of change. Our approach

Environment

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🚊 Governance

🖉 Appendix

About our report

Sustainability priorities

Our stakeholders consider these priorities to be critically important, and, for our business to be successful, these priorities require innovative, strategic approaches and a commitment to operational excellence across all functions of our organization.

- Climate change and energy transition
- Safety
- Indigenous relations
- Ethics
- Water stewardship
- Tailings management
- Innovation

We identified other significant priorities and our performance or approach to these priorities is listed below and included throughout our report. Topics that were evaluated, but not reported on, are managed, tracked internally and monitored in the context of an ever-changing external landscape. Our approach to technology and innovation is a key theme of this report and is closely related to many of the priorities identified in our materiality assessment.

- Environmental incidents
- Land and reclamation
- Air quality
- Biodiversity
- Waste

- Inclusion and diversity
- Economic impact
- Community relations
- Employee attraction, retention and engagement
- Local employment
- Labour relations
- Human rights

- Risk management
- Stakeholder engagement
- Corporate governance
- Purpose
- Supply chain
- Market access
- Public policy and lobbying

) Environment

🛄 Governance

Accounting Standards Board (SASB), Task Force on Climate-related

ESG disclosure index

Suncor participates in a number of environment, social and governance (ESG) frameworks and standards that help shape the content and materiality of the Report on Sustainability. Details on alignment and our responses are available for download in our ESG Disclosure Index. This document addresses the following: Global Reporting Initiative (GRI) Standards, IPIECA, Sustainability

Financial Disclosure (TCFD), United Nations Global Compact (UNGC) and United Nations Sustainable Development Goals (UN SDG). For more information please visit suncor.com.

Recognition in 2021

Bloomberg

Bloomberg's Climate Transition Scores ranked Suncor among the top 10 publicly traded oil and gas companies on preparedness for a low-carbon world.

Named to the Dow Jones Sustainability North American Index (DJSI), which marks 25 consecutive years on the DJSI. Additionally, Suncor was recognized as a 2021 Sustainability Yearbook Member.

Suncor has been listed on the FTSE4Good Index since 2009.

In 2021, Suncor received a rating of A in the MSCI ESG* Ratings assessment.

CDP: Score of B for climate change and B- for water security disclosure in 2021. Suncor has been named a top reporter by the CDP for many years.

Suncor has been honoured at the highest level for our work in Indigenous relations. In 2020, Suncor was re-certified at a gold level in Canadian Council for Aboriginal Business's Progressive Aboriginal Relations program.

In 2021, the Transition Pathway Initiative assessed Suncor according to the management of its greenhouse gas emissions and of risks and opportunities related to the low-carbon transition.

Suncor was the recipient of the CDA Corporate Award recognizing the advancement of the state of practice, innovation and leadership, and contributions to the dam industry.

Suncor was recognized as being one of Alberta's Top 70 Employers in 2021 and 2022.

Suncor was recognized as being one of Alberta's Top 70 Employers in 2021 and 2022.

Suncor was recognized as one of Canada's Best Diversity Employers in 2021 and 2022.

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Appendix

Performance data

Our sustainability performance data provides annual (January 1 to December 31) environment, social, governance and economic data for 2021, with five-year performance trends where possible. Data reflects assets owned and operated by Suncor, as well as GHG data demonstrative of all Suncor equity assets, unless otherwise stated. Any data point that is accompanied by the (A) symbol was included in the scope of Ernst & Young LLP limited assurance engagement. See p. 78 for Ernst & Young LLP Independent practitioner's assurance report on those data points. Performance data footnotes provide additional information for specific boundary conditions, changes in methodology, restatements and definitions, where applicable. Not all data is consistent with our 2021 Annual Report due to different reporting boundaries.

Additional information can also be downloaded on <u>suncor.com</u>.

Indicators – Suncor company totals	2017	2018	2019	2020	2021
Operational performance⁴					
Operated total upstream and downstream net production <i>million m³/yr</i>	48.53	53.95	55.85	47.54	49.27 (A)
Operated total upstream and downstream net production <i>million BOE/yr</i>	305.24	339.33	351.28	299.02	309.92 (A)
Operated upstream processed volumes and net production <i>million m³ OE/yr</i>	27.22	34.19	36.00	28.80	30.94 (A)
Operated upstream processed volumes and net production <i>million BOE/yr</i>	171.21	215.05	226.40	181.15	194.63 (A)
Operated downstream net production million m ³ refined product/yr	27.98	26.92	27.57	25.25	24.97 (A)
Operated downstream net production million BOE/yr	175.99	169.32	173.42	158.81	157.04 (A)
Equity total upstream and downstream net production million BOE/yr	381.89	393.23	410.09	372.16	383.40
Equity upstream processed volumes and net production million BOE/yr	251.88	268.98	285.22	254.36	266.79
Equity downstream net production million BOE/yr	174.45	169.35	173.42	158.74	158.36
Ethanol production million litres of ethanol product/yr	407.80	402.00	399.57	335.95	343.44
Wind energy generated ^{MWh}	76,589	100,850	98,419	96,952	114,009
Renewable fuels blended billion litres	1.12	1.13	1.14	1.44	1.54
Greenhouse gas (GHG) and energy ^{5,6}					
Operated total GHG (scope 1 and 2) emissions thousand tonnes CO ₂ e	19,878	21,990	22,722	20,856	21,557 (A)
GHG (scope 1) emissions thousand tonnes CO ₂ e	18,509	20,577	21,377	19,565	20,159
GHG (scope 2) emissions thousand tonnes CO ₂ e	1,369	1,413	1,345	1,292	1,398
Operated total GHG emissions intensity kg/BOE	63	62	62	66	66 (A)
Operated total GHG emissions intensity g/MJ	10.3	10.0	10.1	10.9	10.9
Equity total GHG (scope 1 and 2) emissions thousand tonnes CO ₂ e	25,945	27,997	28,997	27,703	28,452

Indicators – Suncor company totals	2017	2018	2019	2020	2021
Equity total GHG emissions intensity kg/BOE	64	68	68	71	72
Equity total GHG emissions intensity g/MJ	10.7	11.2	11.2	11.7	11.8
GHG (scope 3) emissions – Category 11 (Upstream production) thousand tonnes CO ₂ e	-	_	-	122,900	127,600
Energy use million GJ	301.98	336.10	346.31	320.05	334.47
Direct energy use million GJ	287.89	328.30	340.33	315.29	325.60
Indirect energy use million GJ	14.08	7.78	5.98	4.76	8.87
Energy intensity GJBOE	0.99	0.99	0.99	1.07	1.08
Cogeneration gross power generation million MWh	5.09	7.24	7.03	7.09	6.34
Cogeneration net power export million MWh	2.34	3.67	3.33	3.52	3.27
Air emissions ⁷					
SO ₂ emissions thousand tonnes	20.51	20.50	20.78	21.93	20.15
SO, emissions intensity kg/BOE	0.07	0.06	0.06	0.07	0.07
NO _x emissions thousand tonnes	26.64	33.29	36.98	33.66	34.20
NO _x emissions intensity kg/BOE	0.09	0.10	0.11	0.11	0.11
VOC emissions thousand tonnes	23.14	25.96	21.30	22.55	30.26
VOC emissions intensity kg/BOE	0.08	0.08	0.06	0.08	0.10
PM ₁₀ emissions thousand tonnes	_	-	2.60	2.39	3.22
H ₂ S emissions thousand tonnes	-	-	0.05	0.04	0.03
Water use ⁸	-	-	0.05	0.04	0.03
Water withdrawal million m ³	105.07	144.69	143.43	133.96	107.79 (A)
Surface water withdrawal million m ³	74.90	106.88	110.99	65.45	62.77
Groundwater withdrawal million m ³	2.26	3.13	3.92	4.41	5.49
Municipality/city/district water withdrawal million m ³	4.20	4.12	4.16	3.86	3.89
Treated wastewater withdrawal million m ³	1.60	1.52	1.74	2.48	0.42

Indicators – Suncor company totals	2017	2018	2019	2020	2021
Industrial runoff water withdrawal million m ³	22.10	29.04	22.61	57.75	32.78
Water withdrawal intensity m³/BOE	0.35	0.43	0.41	0.45	0.35 (A)
Water returned million m ³	65.99	77.44	77.10	77.35	63.23
Water consumption million m ³	39.07	67.24	66.33	56.61	44.56
Water consumption intensity m ³ /BOE	0.13	0.20	0.19	0.19	0.14
Fresh water consumption million m ³	22.40	46.52	51.60	31.04	33.24
Fresh water consumption intensity m ³ /BOE	0.07	0.14	0.15	0.10	0.11
Land disturbance and reclamation ¹⁰					
Total land disturbed cumulative hectares	23,971	33,793	34,561	35,029	35,654 (A)
Total land reclaimed cumulative hectares	2,239	2,621	2,795	2,850	2,878 (A)
Waste ⁹					
Total waste generated thousand tonnes	2,123	2,486	2,420	2,682	2,764
Hazardous waste generated thousand tonnes	999	983	1,049	1,006	1,019
Hazardous waste incinerated thousand tonnes	3.54	4.14	3.46	3.04	2.72
Hazardous waste deep well injection thousand tonnes	985	958	1,010	969	1,004
Hazardous waste landfilled thousand tonnes	7.25	6.16	7.55	5.66	3.47
Hazardous waste otherwise disposed or treated thousand tonnes	3.27	15.04	28.22	28.30	8.33
Non-hazardous waste generated thousand tonnes	1,124	1,503	1,371	1,676	1,745
Non-hazardous waste incinerated thousand tonnes	0.09	0.17	0.02	0.00	0.69
Non-hazardous waste deep well injection thousand tonnes	987	1,315	1,174	1,596	1,647
Non-hazardous waste landfilled thousand tonnes	135	179	184	76	95
Non-hazardous waste otherwise disposed or treated thousand tonnes	1.62	9.71	13.08	4.06	2.62
Waste recycled, reused or recovered thousand tonnes	71.00	96.18	151.82	82.37	94.77

Indicators – Suncor company totals	2017	2018	2019	2020	2021
Environmental compliance ¹¹					
Environmental incidents and non-compliance #	-	-	-	-	53
Significant spills #	0	0	0	0	0
Significant spills volume m³	0	0	0	0	0
Spills > 1 bbl that reach the environment					
Total hydrocarbon and nonhydrocarbon #	-	-	-	-	6
Total volume of hydrocarbon and nonhydrocarbon m^3	-	-	-	-	360
Hydrocarbon only #	-	-	-	-	6
Hydrocarbon only m ³	-	-	-	-	360
Nonhydrocarbon only #	-	-	-	_	0
Nonhydrocarbon only m ³	-	-	_	-	0
Environmental regulatory fines \$ thousands	413	282	113	5,439	690
Economic ¹⁴					
Revenues and other income \$ millions	33,107	40,036	40,511	25,290	41,102
Operating, selling and general expense (OS&G) \$ millions	9,107	10,428	11,105	9,794	11,366
Employee costs \$ billions	3.20	3.30	3.60	2.80	3.90
Royalties and taxes paid \$ millions	1,489	1,695	2,555	933	1,470
Distribution to shareholders \$ millions	3,069	3,230	3,439	2,554	2,384
Economic value retained \$ millions	19,415	24,654	23,379	11,973	25,846
Enterprise value \$ billions	89	76	81	52	62
Capital and exploration expenditures \$ millions	6,551	5,406	5,558	3,926	4,555
Political donations \$ thousands	0	0	0	0	0
Supply chain ¹⁵					
Total supplier base #	7,997	6,497	5,768	4,870	5,268

Indicators – Suncor company totals	2017	2018	2019	2020	2021
Indigenous supplier base #	55	85	88	104	110
Purchases of goods and services \$ billions	11.64	10.64	9.90	8.60	9.50
Total Indigenous supplier – spend \$ millions	521	703	836	911	1,471
Indigenous supplier – direct spend \$ millions	497	628	804	884	1,429
Indigenous supplier – indirect spend \$ millions	24	21	32	27	42
Community investments ¹⁶					
Total contributions to charitable, non-charitable and community groups \$ thousands	26,557	28,980	32,941	36,278	36,119
Value of cash donations \$ <i>thousands</i>	25,466	27,843	32,747	32,411	35,065
Value of in-kind donations \$ thousands	291	1,137	187	3,867	1,054
Value of management cost donations \$ <i>thousands</i>	994	1,143	1,378	1,073	827
Suncor's donation to the Suncor Energy Foundation (SEF) \$ thousands	16,600	18,455	20,255	19,000	24,000
SEF donations \$ thousands	16,649	15,817	15,143	17,637	17,956
Suncor's donations to PetroCanada Caremakers Foundation™ (PCCF) \$ thousands	_	_	_	_	2,000
SunCares Employee Program					
Employee participation %	27	26	29	34	27
Organizations supported #	1,271	1,377	1,501	1,935	1,809
Value of Suncor and SEF donations \$ <i>thousands</i>	1,668	2,822	2,660	2,954	3,837
Value of employee personal donations \$ <i>thousands</i>	1,313	2,719	3,138	2,802	2,910
Volunteer hours #	80,706	73,259	96,067	73,979	79,578
Health and safety ¹²					
Total lost time injury frequency # per 200,000 hours worked	0.03	0.03	0.04	0.04	0.03
Employee lost time injury frequency # per 200,000 hours worked	0.03	0.02	0.06	0.06	0.04
Contractor lost time injury frequency # per 200,000 hours worked	0.04	0.03	0.03	0.03	0.02

Indicators – Suncor company totals	2017	2018	2019	2020	2021
Total recordable injury frequency # per 200,000 hours worked	0.40	0.37	0.39	0.32	0.35
Employee recordable injury frequency # per 200,000 hours worked	0.30	0.30	0.39	0.29	0.43
Contractor recordable injury frequency # per 200,000 hours worked	0.45	0.41	0.39	0.34	0.31
Serious injury and fatality # of events	1	2	4	2	4
Fatalities #	1	0	1	2	1 (A)
Loss of primary containment (tier 1 and 2) #	46	45	39	40	36
Workforce ¹³					
Suncor employees #	12,649	12,626	13,483	13,035	17,433
Full-time employees #	12,389	12,317	13,004	12,489	16,846
Part-time employees #	111	98	97	102	76
Temporary/casual employees #	149	211	382	444	511
Long-term contractors #	809	559	534	235	921
Unionized workforce	32.80	33.20	31.58	31.78	24.00
New employee hires %	7.70	7.70	8.25	3.34	4.68
Male new employee hires %	76.90	69.70	73.01	73.79	73.53
Female new employee hires %	23.10	30.30	26.99	25.52	23.04
Employee turnover %	5.80	6.00	4.76	4.60	6.64
Male employee turnover %	71.03	74.06	72.23	73.17	67.18
Female employee turnover %	28.97	25.94	27.77	26.17	32.04
Diversity ¹⁷					
All Employees					
Men %	76.20	76.80	75.27	76.15	77.69
Women %	23.80	23.20	24.58	23.71	22.25
Indigenous Peoples	3.00	3.10	3.27	3.40	5.27

Indicators – Suncor company totals	2017	2018	2019	2020	2021
Visible minorities %	14.70	12.60	11.81	12.88	8.96
Persons with disabilities %	0.68	0.67	0.74	0.76	0.51
Age less than 30 %	8.81	7.96	8.48	7.53	7.59
Age 30-50 %	63.92	64.26	65.82	65.71	64.88
Age greater than 50 %	26.10	26.11	25.56	26.77	27.50
Management					
Men %	72.73	71.67	65.67	65.22	70.89
Women %	27.27	28.33	34.33	34.78	29.11
Age less than 30 %	-	-	-	-	0.00
Age 30-50 %	-	_	_	_	36.71
Age greater than 50 %	-	-	-	-	63.29
Board of directors					
Men %	60.00	66.67	60.00	63.64	63.64
Women %	40.00	33.33	40.00	36.36	36.36
Remuneration of women to men %	-	_	97	97	96
Management %	-	-	96	97	95
Individual contributor %	-	-	97	96	96
Learning and development ¹⁸					
Total hours of training and development #	-	-	-	-	347,624
Average per full-time equivalent (FTE) employee #	_		_		24
Total spend on training and development \$ millions	_	_	-	-	19.54
Average per FTE employee \$	-	_	-	-	1,500

Performance data footnotes

1 Overview

Performance data provided throughout our Report on Sustainability in tables and graphs provide annual (January 1 to December 31) environmental, social, governance and economic data for 2021, with five-year trends, where possible. Note that corporate totals may not add up exactly due to rounding. These notes provide additional details on boundary conditions, and changes in methodologies, definitions, business segment structure changes or changes to historical data. We also implement our own internal guidelines and definitions for data gathering and reporting.

2 Reporting boundaries

Other than royalties, which represent Suncor's proportionate share of joint operations, environmental and social performance data is collected and reported for all facilities operated by Suncor (100%, not adjusted for Suncor's ownership share), and our joint venture interests operated by other organizations are not included (with the exception of our GHG emissions data, which is now reported on an operational and equity basis). Facilities are subject to annual planned and unplanned maintenance activities, which may impact consistent year-over-year trends. Facilities that are purchased and subsequently operated by Suncor in the reporting year are not included totals unless owned or operated for the entire year (12 months).

3 Summary of business segments and operations included in performance data

- a. Suncor totals reflect consolidation of data where relevant and applicable.
- b. Upstream (Base Plant) includes Millennium and North Steepbank mining, extraction and integrated upgrading facilities, the integrated Poplar Creek cogeneration facility (owned and operated by Suncor as of 2015), and associated infrastructure for these assets, but does not include Syncrude.
- c. Upstream (Fort Hills).
- d. Upstream (Oil Sands in situ operations) data includes oil sands bitumen production from Firebag and MacKay River operations and supporting infrastructure.
- e. Upstream Exploration and Production (E&P) includes:
 - E&P Terra Nova floating production storage and offloading vessel situated off the east coast of Canada. Production at Terra Nova has been shut in since the fourth quarter of 2019. In 2021, Suncor and the Terra Nova joint venture owners finalized an agreement to move forward with the Asset Life Extension Project, which is expected to extend production life by approximately 10 years, and produce an additional 70 million barrels of oil for the partnership.
 - Suncor holds non-operated interests in other Canadian and International E&P assets. Please visit www.suncor.com.
- f. Downstream (Refining and Logistics) includes refining operations in Montreal, Quebec, Sarnia, Ontario, Edmonton, Alberta, and Commerce City, Colorado Suncor previously operated a lubricants business in Mississauga, Ontario, which was sold February 1, 2017. 2017 performance data reflects this sale. Other assets include a petrochemical plant and sulphur recovery facility in Montreal, and product pipelines and terminals in Canada and the United States. Additional information about our downstream business is available at www.suncor.com.
- g. Renewable Fuels and Power includes wind power facilities operated by Suncor, and in graphs are reported with the St. Clair Ethanol Plant, located in Ontario.
- h. Suncor assumed operatorship of the Syncrude Project on September 30, 2021. Suncor's equity interest of 58.74% does not change. In this year's report, key indicators from Syncrude are highlighted throughout the content and included separately in the 2022 sustainability performance data document available for download on suncor.com. As Suncor's operatorship of the Syncrude Project occurred at the end of the third quarter in 2021, Syncrude data is not integrated into Suncor's corporate-wide totals. The only exceptions are GHG and community investment data, which is represented as Suncor's equity share and consistent with previous reports, and workforce and diversity data, which is fully integrated. Syncrude data has been informed by GRI and SASB standards, and is reported in the detailed 2022 sustainability performance document available on suncor.com. Not all required disclosures by GRI and SASB as described in the ESG Disclosure Index 2022 have been made for Syncrude as Suncor did not operate the Syncrude Project for the entire 2021 calendar year and its data is not incorporated into Suncor corporate-wide totals. Syncrude will be integrated into Suncor's corporate-wide totals and aligned with the required standards in future sustainability disclosure.

Performance data footnotes

4 Notes on operational performance and production

- a. See "Advisories," as barrels of oil equivalent and cubic metres of oil equivalent may be misleading indicators of value.
- b. Oil Sands Base production is gross sweet and sour synthetic crude oil associated with mining, extraction and upgrading and includes unprocessed volumes. This may be different than production reported in our 2021 Annual Report.
- c. Fort Hills production is partially upgraded bitumen associated with the paraffinic froth treatment process.
- d. Syncrude production is Syncrude Sweet Premium (SSP) crude oil produced. Production of SSP crude oil becomes the property of Syncrude's Joint Venture Participants at point of departure from the Syncrude plant.
- e. In situ production is net bitumen sales associated with total plant saleable product.
- f. East Coast (Terra Nova) production is the total amount of product sold, not flaring or internally produced fuel. Production at Terra Nova has been shut in since the fourth quarter of 2019. In 2021, Terra Nova operations remained a non-producing facility and in late 2021 the FPSO underwent maintenance work prior to sailing to dry dock in Ferrol, Spain. A safe return to operations is anticipated before the end of 2022.
- g. Refining and Logistics net production is reported on a business unit level, where transfers between our facilities have been removed from facility production totals.
- h. St. Clair Ethanol Plant production is ethanol produced and converted to cubic metres of oil equivalent, on an energy basis.
- i. Wind energy production is in megawatt hours, from Suncor-operated wind facilities (100% not adjusted for ownership).
- j. Our refineries that blend ethanol into gasoline are Sarnia, Montreal, Commerce City and Edmonton.
- k. Production data is inconsistent with our 2021 Annual Report due to different reporting boundaries.

5 Notes on greenhouse gas emissions (GHG)

5.1 GHG emissions factors

Emissions factors allow us to estimate GHG emissions from a unit of available activity data (e.g., quantity of fuel consumed or product produced). The metric we use in our Report on Sustainability for reporting GHG emissions is metric tonnes of carbon dioxide equivalent (CO₂e). This common unit for reporting GHGs represents volumes of gases that have been studied to have an impact on the global atmosphere. CO₂e means that individual GHGs have been multiplied by their assessed global warming potential (GWP) compared to carbon dioxide (CO₂). This report (and our 2015-2021 Reports on Sustainability) uses the 100-year GWPs issued by the Intergovernmental Panel on Climate Change's (IPCC) fourth assessment report (2007), which aligns to several jurisdictions of GHG reporting, including Environment Canada and the U.S. Environmental Protection Agency (EPA). The major impacts of using the GWPs issued by the IPCC's fourth assessment report will change and be updated with the latest assessment reporting coming out in 2022.

5.2 Measuring potential GHG emission sources

As an integrated energy company spanning multiple jurisdictions, sectors and operations, we use several different externally developed and publicly accepted emission factor protocols to develop facility-specific emission calculation methodologies. We select the appropriate protocol for the site-specific fuel type and composition, emission source, facility or jurisdiction being considered. As required by regulators and verified by external auditors, we use internationally accepted GHG protocols and methodologies in determining our overall emissions profile.

In addition to using fuel-specific emission factors, some GHG emissions are calculated using process- or equipment-specific consumption rates in units such as run-hours, and not fuel volumes. Many of our sites have complicated processes that require specific emission factors and methodologies to accurately calculate their emissions.

Primarily, our sites use protocols and methodologies that are required by their operating jurisdiction. However, if no prescribed methodology is required, it may be necessary to use a combination of standardized methodologies at a single facility due to site and sector-specific details that may not be completely covered by a single standard or regulation. On occasion, more accurate emission factors – measured, calculated from compositional data or manufacturer-supplied – may be available for specific equipment. These are used whenever and wherever appropriate to ensure we gather the best-quality data and use the most accurate measures.

Performance data footnotes

Specific emission factors are calculated from actual measured data rather than applying generic estimated default factors as frequently as possible. In other cases, such as when calculating indirect emissions from externally purchased electric power, we use factors primarily from site-specific factors if available, secondarily where prescribed by regulation and finally, from published emission factors for remaining emission sources.

Due to the unique nature of each site, we have more than 1,400 standard emission factors in our Environmental Information Management System that are applied at different sites. This number does not include thousands of additional factors that are calculated daily for different fuels and sites based on fuel composition analysis. These factors give us data on real-time gas composition and the resulting carbon content.

5.3 The role of regulation in GHG reporting

Many jurisdictions have, or are in the process of developing, prescriptive regulations that specify which factors can be used. For example, the EPA and regulators in Western Climate Initiative jurisdictions such as Quebec and British Columbia all required operators to use specified factors for the 2021 reporting year. Alberta requires large emitting facilities to use the standard methodology and emission factors in the Technology Innovation and Emission Reduction Regulation (TIER). Each of our sites that report through the TIER successfully generated positive (approved) verifications for the 2021 reporting year at a reasonable level of assurance. Not all verifications are final at the time of the publication of this report.

5.4 GHG standard practices and methodologies

External agencies have developed industry-accepted standard methodologies that operators can choose to use in the absence of prescribed methods. The standard practices and methodologies we follow are widely accepted, well researched and documented so the numbers produced are verifiable by governments and third parties and are consistently applied from year to year.

A partial list of these standard methodologies and guidance documents includes:

- American Petroleum Institute (API) Compendium of Greenhouse Gas Emissions Methodologies for the Oil and Natural Gas Industry, 2009
- US EPA Mandatory Greenhouse Gas Reporting Rule
- IPCC Fourth Assessment Report, 2007
- World Business Council for Sustainable Development/World Resources Institute Greenhouse Gas Protocol: A Corporate Accounting
 and Reporting Standard, 2004
- Intergovernmental Panel on Climate Change 2006 Guidelines for National Greenhouse Gas Inventories
- Western Climate Initiative (WCI) Design for the WCI Regional Program, July 2010
- Final Essential Requirements for Mandatory Reporting Amended for Canadian Harmonization, 2011
- Western Climate Initiative (WCI) Final Essential Requirements of Mandatory Reporting: Amended for Canadian Harmonization, 2013
- Alberta Greenhouse Gas Quantification Methodologies (Technology Innovation and Emission Reduction Regulation) (Version 2.2)
- Regulation respecting mandatory reporting of certain emissions of contaminants into the atmosphere 2021
- Canadian's Greenhouse Gas Quantification Requirements (Greenhouse Gas Reporting Program), 2020
- Environment Canada National Inventory Report, 1990-2019

5.5 Additional GHG notes

- a. GHG emissions are calculated using facility-specific and referenced methodologies accepted by the relevant jurisdictions where each facility is required to report GHG emissions. We follow each jurisdiction's prescribed methodology, and if none exists then the most applicable and accurate methods available are used to quantify each emission source.
- b. Absolute CO_2e emissions represent the total scope 1 and 2 emissions with no credit taken for low-carbon power production. The power credit is calculated using the Suncor-operated cogeneration power exported to the Alberta grid and the intensity in which this power was generated. It is included to determine the GHG emissions intensities for our operated assets.

c. Absolute (total) GHG emissions are the sum of direct and indirect emissions.

- Operated absolute emissions represent 100% of operated assets.
- Equity absolute emissions are based on Suncor's working interest for both operated and non-operated assets.
- d. The Suncor-total intensity calculation incorporates net facility production, minus internal transfers, resulting in a production value reflective of our product sales to market. Suncor-total intensity will therefore not equal the weighted average of business unit intensities.
- e. In situ (MacKay River) indirect emissions methodology reported since 2014 includes electricity purchased from the grid, purchased electricity and steam from the third-party TransCanada cogeneration units. Firebag cogeneration units are owned and operated by Suncor and therefore all cogen emissions contribute to total direct emissions, including emissions associated with generating electricity that is sold to the Alberta grid.
- f. Direct (scope 1) GHG emissions are from sources that are owned or controlled by the reporting company. Refining and Logistics direct emissions do not deduct CO₂ transfers to third parties, such as the food and beverage industries.
- g. Indirect (scope 2) GHG emissions are energy-related emissions that are a consequence of our operations, but occur at sources owned or controlled by another company (e.g., purchases of electricity, steam, heat and cooling). Emissions are calculated based on actual supplier data where possible and published literature where supplier data is unavailable.
- h. Indirect (scope 3) GHG emissions are our category 11, use of sold products.
- i. Scope 3 emissions reported in the performance data section reflect Suncor's emissions from category 11 specific to our "Upstream Production" only. Additional information on Suncor's emissions from category 11 has been reported under the following categories in the 2021 Climate Report based on the following parts of our integrated business:
 - Upstream production: The majority of the hydrocarbon volumes produced from Suncor operated and non-operated assets on a
 working interest basis must be processed into refined products, which are finally combusted. Bitumen production volumes from
 Firebag and Oil Sands mining have been adjusted to account for coke combusted and stored on site. Coke volumes sold to third
 parties for combustion have been included in this year's report. Bitumen production volumes from all assets have been reduced
 by 6% to account for downstream asphalt production. GHG Emission Factors sourced from API Compendium of GHG Emissions
 Methodologies for the Natural Gas and Oil Industry, 2009 and GREET Model.
 - Refinery throughput: Scope 3 GHG emissions for the Edmonton, Commerce City, Sarnia and Montreal refineries have been quantified based on the products each refinery produces on an annual basis, (i.e., gasoline, distillates and combustibles (propane, butane, coke and heavy fuel oil (HFO)). GHG Emission Factors sourced from API Compendium of GHG Emissions Methodologies for Oil and Natural Gas Industries, 2009.
 - Branded sales: Sales of refined products to retail customers within Canada and the U.S.; wholesales are excluded. Renewable fuel volumes which are blended with the refined products have been subtracted from total volumes as renewable fuels do not have any scope 3 (category 11) GHG emissions.
- j. Suncor's GHG target is designed to encourage business choices that reduce Suncor's emissions and the emissions in the global energy system. To support tracking our progress, Suncor developed a methodology that includes both direct emissions reductions from our operated assets and indirect reductions from the use of our products. Our GHG performance is reported on an operated and equity basis. Emissions data from our partners have not been verified, and are subject to change. Direct and indirect CO₂e emissions are included for this report. No credit is taken for GHG reductions due to internally generated performance credits, purchased offsets, ethanol life-cycle GHG reductions or wind-generated offsets.
- k. Suncor's GHG data reflects our 58.74% equity interest in the Syncrude Project. Refer to the 2022 sustainability performance data document for Syncrude performance on a separate asset basis. We are in the process of aligning Syncrude and Suncor GHG calculations and methodologies.

6 Notes on energy consumption

- a. Total energy is equal to the sum of direct and indirect energy. Electricity that is produced and sold to the provincial grids by oil sands and in situ cogeneration units and operated wind farms is converted to an equivalent amount in gigajoules and deducted from total energy use.
- b. Direct energy is primary energy consumed on-site by Suncor-operated facilities.
- c. Indirect energy includes imported electricity, steam, heating and cooling duty from third parties. The indirect energy calculation method credits operations for electricity exported to external users and/or other Suncor facilities.

- d. The energy intensity of the renewables business is based on energy input for ethanol production with wind energy production deducted from that total energy input.
- e. Syncrude's energy performance will be incorporated into Suncor corporate totals in the next reporting cycle. Refer to the 2022 sustainability performance data document for Syncrude performance on a separate asset basis.

7 Notes on other air emissions

- a. Air emissions data reported (NO_x, SO₂ and VOC) include point and non-point sources.
- b. Suncor and Syncrude report to the Canadian National Pollutant Release Inventory annually. Suncor also reports to the U.S. Toxic Release Inventory annually. Additional information on performance can be found through these reporting mechanisms.
- c. Graphs associated with SO₂, NO_x and VOC emissions intensity only include facilities that are material sources of these emissions for our business. Oil Sands and Syncrude estimation accuracy for VOC emissions intensity is greater than +/- 10% and limited by currently accepted methodology and measurement instruments.
- d. Minor adjustments were made to 2020 SO₂ emissions due to calculation corrections at the Sarnia refinery to better align with regulatory reporting.
- e. Syncrude air emissions performance will be incorporated into Suncor corporate totals in the next reporting cycle. Refer to the 2022 sustainability performance data document for Syncrude performance on a separate asset basis.

8 Notes on water use and return

- a. Total water withdrawal is the removal or purchase of water from any source, either permanently or temporarily. It is also referred to as water abstraction or water intake, and it includes both fresh and non-freshwater sources.
- b. Total water return is the sum of effluents and other water leaving the organization's boundary and released to surface water, groundwater (approved for deep disposal wells) or to third parties over the course of the reporting year.
- c. Fresh water is characterized by a low total dissolved solids content for which limits are defined by regulation in the jurisdiction of Suncor and Syncrude activity. Where no regulatory definition of fresh water exists, we default to the Alberta Environment limit of fresh water having less than 4,000 mg/L of total dissolved solids.
- d. Water consumption is the total water withdrawn minus water returned and reflects quantity of water used and not returned to its proximate source or no longer available in its original form.
- e. Freshwater consumption and intensity graphs: Oil Sands Base Plant, Fort Hills and Syncrude in this graph do not include industrial runoff water, which is subject to annual variances based on precipitation. Withdrawal and consumption including industrial runoff volumes are shown in the performance data tables. Water measurement and estimation methodology on select Refining & Logistics operations is greater than +/- 10% uncertainty.
- f. Freshwater consumption intensity is the volume of fresh water consumed (m³) per volume of barrels of oil equivalent (BOE).
- g. Oil Sands Base Plant and Syncrude mining water withdrawal includes surface water, groundwater and industrial run off water as per regulatory withdrawal licences and are subject to annual variances based on precipitation. Water returned includes treated industrial wastewater and runoff from non-process areas that gets collected, diverted and eventually discharged to the environment (destination is the Athabasca River).
- h. In Situ water withdrawal includes licenced groundwater wells, treated wastewater and industrial run off water.
- i. Refining and Logistics surface water withdrawal sources and return destinations vary by refinery facility location.
- j. Syncrude water performance will be incorporated into Suncor corporate totals in the next reporting cycle. Refer to the 2022 sustainability performance data document for Syncrude performance on a separate asset basis.

9 Notes on waste management

a. Waste volumes depend on site activities or periodic equipment maintenance and may fluctuate annually.

🖉 Appendix

Performance data footnotes

- b. In Situ waste that is sent to deep well injection is primarily related to blowdown from our steam-assisted gravity drainage operations at Firebag, consisting of concentrated water impurities that accumulate during the steam generation process. This boiler feedwater is intentionally wasted from the boilers to avoid concentration of impurities during continuing evaporation of steam. Deepwell disposal methods of this nature are safe, viable and part of normal operating parameters and our operations are within the disposal limits for these waste streams (regulated by the Alberta Energy Regulator). Our operations also have exceptionally high water recycling rates, above regulated levels.
- c. Hazardous waste is defined as hazardous, toxic, dangerous, listed, priority, special or some other similar term as defined by an appropriate country, regulatory agency or authority. Under regulatory law, wastes that, when present in quantities and concentrations that are high enough, pose a threat to human health or the environment if they are improperly stored, transported, treated or disposed.
- d. Non-hazardous waste is considered less harmful to the environment or human health as defined by an appropriate country, regulatory agency or authority.
- e. Syncrude waste volumes will be incorporated into Suncor corporate totals in the next reporting cycle. Refer to the 2022 sustainability performance data document for Syncrude performance on a separate asset basis.

10 Notes on land disturbance and reclamation/tailings

- a. Total land disturbed presented in the performance data table represents the total active footprint of our Base Plant mining operations, Fort Hills operations and approved in situ projects, and include the cumulative hectares for areas cleared of vegetation, soil disturbed, ready for reclamation, soils placed and permanently reclaimed. The categories used are consistent with reporting to the Alberta Energy Regulator in the annual reports.
- b. Land reclaimed is land that is no longer being used for mine or plant purposes or in situ production purposes and has been permanently or temporarily reclaimed. This value is a subset of the total active footprint. Reclamation is presented as a cumulative number; therefore, the total number of hectares reported from year to year may increase depending on whether reclamation has occurred or whether re-disturbance of previously reclaimed areas was required. Permanently reclaimed lands have met the authorized plans for soil placement and re-vegetation, but have not been certified by the Alberta Energy Regulator. Syncrude data reflects permanent reclamation only.

c. Mining and in situ reclamation data presented in the land and reclamation graphs:

- Certified land is returned to the Crown and does not count toward the total active footprint.
- · Disturbed means soil has been disturbed.
- Cleared means vegetation has been removed and soils are intact.
- d. The dam safety regulation in Alberta is through the Water (Ministerial) Regulation and detailed in the Dam and Canal Safety Directive. The regulation and directive govern dam safety requirements for all dams and canals in the province, including defining dam classifications:
 - Active is defined as in operation for either ongoing tailings management or progressing to closure.
 - · Inactive is defined as not in operation but not yet closed.
 - Closed or reclaimed surface is defined as having completed closure activities but still owned by the operator.
- e. The fluid tailings volumetric estimate for 2020 is in alignment with Base Plant's updated ready to reclaim targets approved by the Alberta Energy Regulator in the first quarter of 2021.
- f. Syncrude total land reclaimed includes 104 hectares of land certified by the Government of Alberta and returned to the Crown. In the next reporting cycle, Syncrude performance will be incorporated into Suncor corporate totals. Refer to the 2022 sustainability performance data document for Syncrude performance on a separate asset basis.
- g. Following a review of in situ land disturbed values, updates have been made to the 2017-2020 data to reflect the active footprint as stated in the definition above.

11 Notes on environmental compliance

- a. The environmental incident and non-compliance metric replaces the metric in previous reports titled "Environmental non-compliance." The updated metric includes all incidents previously reported as "environmental non-compliance" as well as an additional subset of incidents that corresponds to a lower threshold on Suncor's risk matrix.
- b. Environmental incidents and non-compliance data represents incidents with higher environmental and regulatory risk that aligns with our risk matrix (defined by Suncor) and reflects at minimum an event triggering regulatory reporting or non-compliance.
- c. Significant spills reflect the unplanned or accidental release of material whose impact is either off property and takes longer than seven months to remediate, or is on property and takes one year or more to remediate or reclaim.
 - In 2021, we added a new Environmental Compliance metric called "Reportable spills >1bbl reaching the environment" that includes a lower threshold for spills than the previously documented "Significant spills."
 - A reportable spill >1 bbl reaching the environment reflects an unplanned or accidental release of material with off-property impact or on-property impact requiring remediation or reclamation.
- d. Both reportable spills >1bbl that reaches the environment and significant spills are subcategories of an environment incident and noncompliance.
- e. Based off IPIECA guidance, the following substances are in scope for reportable spills: hydrocarbon liquids, chemicals, produced water and other process-related non-hydrocarbons.
- f. An incident is a reportable spill if it involved >1 bbl that reaches the environment based on substance type; however, an incident that is not a reportable spill would still be included as an environmental incident and non-compliance.
- g. One of the incidents in the reportable spills >1bbl that reaches the environment category does not have a measurable volume; however, it was estimated to be greater than 1bbl and therefore was included in the incident total, but not the volume total.
- h. Environmental regulatory fines align to our risk matrix, and reflect financial penalties levied by the regulator, or the courts, and are paid in the reporting year as a result of a regulatory non-compliance or exceedance. Threshold for reporting is for fine, penalties or settlements >\$10,000 CDN or USD.
 - the year that a fine is paid does not necessarily correlate to the year that the incident occurred
 - the environmental-related fines paid during the reporting period were due to violating water and air requirements
 - fine total includes \$118K victim surcharge
 - not included in 2021 fine total: A \$200K probation order was paid in 2020 in relation to a fine paid in 2021.
- i. Compliance metric data was collected for the 2021 reporting year as of January 10, 2022. Previous years' compliance data is not subject to restatement for the Report on Sustainability.

12 Notes on health and safety

- a. All health and safety information reported in this filing is based on data as of January 21, 2022, except for serious injury and fatalities information, which are based on data as of March 11, 2022. Suncor-wide data does not include Syncrude data. The asset will be reported separately until there is a full year of operatorship.
- b. Health and safety data are subject to restatement for a full year as events are updated and reclassified to ensure consistency and accuracy in publicly available information.
- c. Downstream Refining and Logistics health and safety data includes our St. Clair Ethanol Plant. Our U.S. operations use the Occupational Health and Safety Administration definitions to classify their injuries, which differ slightly from Canadian standards.
- d. Lost time injury is a work-related injury that results in lost days from work. Fatalities are included in lost time injuries. Frequency is calculated as the number of lost time injuries multiplied by 200,000 (based on 100 workers working full-time for one year) divided by the actual exposure hours. Prime contractor incident data is excluded from this metric.

- e. Recordable injury frequency is the number of recordable injuries (including medical treatment, restricted work access and lost time) multiplied by 200,000 (based on 100 workers working full-time divided by the actual exposure hours). This tells us how many people are injured for every 100 workers in a calendar year. Prime contractor incident data is excluded from this metric.
- f. Serious Injury and Fatality (SIF) events include the following incident types: fatalities; any injury that requires immediate life-preserving rescue action, and if not applied immediately would likely result in the death of that person (life-threatening); and, any injury that results in permanent or long-term impairment or loss of an internal organ, body function, or body part (life-altering).
- g. Contractors refer to any organization, company or individual who provides goods and/or services to Suncor.
- h. Fatalities are reported for employees and contractors (excluding prime contractors). The prime contractor for a work site is (a) the person in control of the work site, or (b) a person designated in writing by the person in control of the work site. Prime contractors have full care, custody and control, meaning they manage their own work and are responsible for maintaining safe working environments.
 - In 2017, a contractor was fatally injured when inside an excavation. In 2019, a contractor was fatally injured at Fort Hills. In 2020, two contractors were fatally injured at Fort Hills. In 2021, a contractor was fatally injured at Base Plant.
- i. Process Safety Tier 1 and 2 Loss of Primary Containment (LOPC) events are unplanned or uncontrolled release of any material from primary containment resulting in consequences as specified by American Petroleum Institute Recommended Practice 754 Second Edition, 2016, and International Association Oil & Gas Producers Report 456: Process Safety Recommended Practice on Key Performance Indicators Version 2.0, 2018. The LOPC data is a sum of Tier 1 and 2 LOPC events.
- j. In 2020, two process safety tier 1 and 2 LOPC events were added due to reclassification. Therefore, we have restated the number of 2020 process safety tier 1 and 2 LOPC events for the Suncor-wide performance data.
- k. In 2021, following a review of historical incidents, SIF events from 2017 to 2020 were adjusted to better account for cases classified as "Life-Altering."

13 Notes on workforce

- a. New employee hires are any externally hired regular full-time or part-time employee whose permanent start date falls within the reporting period.
- b. Employee turnover is the percentage of employees who leave Suncor under any circumstance in the reporting year. Only terminations are included for full-time and part-time employees.
- c. Suncor employees include regular full-time, regular part-time, casuals and temporary employees. Leaves are not included.
- d. Long-term contractors are individual workers engaged as contractors to support short-term, variable work and have been determined by the number of contractors holding a position at Suncor in the organizational structure. This would only include independent contractors, and exclude contract services, contract retailers and consultants.
- e. Unionized workforce data is only applicable in areas where there is a unionized environment. This number reflects integration with Syncrude, which had no unionized workers.
- f. All workforce information reported in this filing is based on data as of December 31, 2021. The workforce data provided may not align with that in the 2021 Annual Report due to different methodologies.
- g. In 2021, Suncor became operator of the Syncrude asset and the additional Syncrude employees are reflected in our total employees.

14 Notes on economic performance

- a. Select economic figures have been calculated according to International Financial Reporting Standards. For complete disclosure of our financial information, see our 2021 Annual Report.
- b. Operating revenues and other income have been updated to be presented as gross revenues plus other income (loss), and excludes royalties.

- c. Operating, selling and general (OS&G) expenses are subject to historical restatements due to reclassifications within our income statement. Prior period amounts of OS&G expense have been reclassified to align with the current year presentation of transportation and distribution expense. Employee costs are reported in our annual report under OS&G and include salaries, benefits and share-based compensation. A portion of employee costs are capitalized as part of fixed assets.
- d. Royalty expense and taxes paid include monies remitted to government, including income, property and other taxes, Crown royalties, and lease bonuses and rentals. For simplicity, royalty expense is provided, which may differ from when royalties are paid.
- e. Payments to providers of capital includes dividends paid on common shares and interest on debt.
- f. Under GRI Standard 201-1, economic value retained reflects the direct economic value generated (revenues) minus economic value distributed (operating costs (including employee costs), royalty expense and taxes paid, payments to providers of capital and community investments).
- g. Enterprise value includes market capitalization from equity plus total debt (which includes short-term debt, current portion of long-term debt, current portion of long-term lease liabilities, long-term debt and long-term lease liabilities), less cash and cash equivalents.
- h. Capital and exploration expenditures include capitalized interest.
- i. As of June 1, 2016, Suncor no longer makes political contributions as a matter of policy, except in exceptional circumstances. Any such contributions will continue to be disclosed in this report.

15 Notes on supply chain

a. Indigenous supplier-spend:

- Direct spend is considered contracting work directly with an Indigenous business that includes those with a minimum of 51% ownership by Indigenous individuals or organizations.
- Indirect spend is considered contracting with a non-Indigenous supplier who sub-contracts to an Indigenous business that is greater than or equal to 51% owned for work that is being performed on behalf of Suncor, contracting with an Indigenous supplier who has a minority ownership in a non-Indigenous business, or a non-Indigenous supplier who has a commercial agreement where revenue received from work being performed for Suncor goes back to the community.
- b. Values reported for Indigenous supplier revenues reflect amounts captured in our enterprise software data management system, minus 5% GST.
- c. Inclusion of contracts in the reporting year is based on the payment date, not the date of services rendered.
- d. The Indigenous supplier spend direct value for 2018 has been updated to reflect a corrected value.
- e. All supply chain information reported in this filing is based on data as of December 31, 2021, aligned with internal stewardship reporting to ensure consistency and accuracy in publicly available information.

16 Notes on community investments

- a. Value for community investment is calculated by Suncor and is generally unaudited except for donations made by the Suncor Energy Foundation (SEF) and the Petro-Canada CareMakers Foundation[™] (PCCF). The SEF and PCCF are audited annually by KPMG. The value of total community investment includes cash, volunteer rewards and in-kind donations.
- b. Value of management cost donations from 2015 to 2021 is for SEF only.
- c. The SEF is limited to providing donations to registered Canadian charitable organizations, and Suncor's contribution to SEF represents donations, operating budget and appropriate allocations to a reserve fund that protects multi-year commitments going forward.
- d. Suncor launched a new SunCares employee program in 2017, and prior year data is not available. Suncor and SEF donations include corporate and volunteer rewards and matching donations. Employee personal donations include employee and retiree donations and donations made through the public SunCares Community Impact Portal.

- e. The Petro-Canada CareMakers Foundation™ (PCCF) was launched by Suncor, owner of Petro-Canada™, in November 2020. The PCCF is a registered public foundation, which engages in fundraising, awareness building and providing donations to registered charitable organizations who support family caregivers. Suncor's contribution to PCCF represents donations only. At this time all operating costs for PCCF are paid by Suncor. See www.caremakers.ca.
- f. Syncrude community investment represents donations to registered charitable organizations and community groups only. Suncor's total community investment contributions reflect our 58.74% equity ownership of the Syncrude Project. Refer to the 2022 sustainability performance data document for Syncrude performance on a separate asset basis.
- g. The 2019 total contributions to charitable, non-charitable and community groups value has been updated to maintain consistent methodology year over year.

17 Notes on diversity

- a. Certain operating regions prohibit collecting information on gender; therefore, diversity data may not reflect our entire workforce due to data availability. Workforce diversity is calculated based on information provided voluntarily by employees. Indicators referring to ethnicity and disability reflect only those employees who have voluntarily self-identified.
- b. Management is classified as members of the management committee or members of the corporate committee, which is Vice Presidents (VPs) and above.
- c. All workforce information reported in this filing is based on data as of December 31, 2021. The workforce data provided may not align with that in the 2021 Annual Report due to different methodologies.
- d. In 2021, Suncor became operator of the Syncrude asset and the additional Syncrude employees are reflected in our employee diversity data.
- e. Ratio of basic salary and remuneration of women to men:
 - for the purpose of this calculation females are the numerator and males are the denominator
 - · ratio only reflects full-time and part-time, salaried, and non-unionized employees
 - excludes unknown gender, and insufficient information from salary bands
 - salary band is used to calculate the ratio at each salary band level to group similarly paid individuals. A weighted average is applied to each salary band level to obtain the overall ratio for management and individual contributor categories
 - annual salary conversion was applied based on Finance department's 2021 conversion rate.



To the Management of Suncor Energy Services Inc.

Scope

We have been engaged by Suncor Energy Services Inc ("Suncor") to perform a 'limited assurance engagement,' as defined by Canadian Standards on Assurance Engagements, hereafter referred to as the engagement, over the performance indicators detailed in the accompanying schedule (the "Subject Matter") as of December 31, 2021 and for the year ended December 31, 2021, reported in Suncor's 2022 Report on Sustainability, 2022 Climate Report, and 2022 Sustainability Performance Data Document (the "Reports").

Other than as described in the preceding paragraph, which sets out the scope of our engagement, we did not perform assurance procedures on the remaining information included in the Reports, and accordingly, we do not express a conclusion on this information.

Criteria applied by Suncor

In preparing the Subject Matter, Suncor applied the relevant guidance contained within Global Reporting Initiative ("GRI") Sustainability Standards, the Sustainability Accounting Standards Board ("SASB") Standards, and internally developed criteria identified in the accompanying schedule and collectively referred to herein as the "Criteria". The Criteria are further described in the ESG Disclosure Index 2022.

Suncor's responsibilities

Suncor's management is responsible for selecting the Criteria, and for presenting the Subject Matter in accordance with the Criteria, in all material respects. This responsibility includes establishing and maintaining internal controls, maintaining adequate records and making estimates that are relevant to the preparation of the subject matter, such that it is free from material misstatement, whether due to fraud or error.

EY's responsibilities

Our responsibility is to express a conclusion on the presentation of the Subject Matter based on the evidence we have obtained.

We conducted our engagement in accordance with the *Canadian Standard for Assurance Engagements ('CSAE') 3000, Attestation Engagements Other Than Audits or Reviews of Historical Financial Information ('CSAE 3000'),* and the *Canadian Standard on Assurance Engagements 3410, Assurance Engagements on Greenhouse Gas Statements ('CSAE 3410').* These standards require that we plan and perform our engagement to obtain limited assurance about whether, in all material respects, the Subject Matter is presented in accordance with the Criteria, and to issue a report. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risk of material misstatement, whether due to fraud or error.

We believe that the evidence obtained is sufficient and appropriate to provide a basis for our limited assurance conclusion.

Our Independence and Quality Control

We have complied with the relevant rules of professional conduct / code of ethics applicable to the practice of public accounting and related to assurance engagements, issued by various professional accounting bodies, which are founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

EY applies *Canadian Standard on Quality Control 1, Quality Control for Firms that Perform Audits and Reviews of Financial Statements*, and *Other Assurance Engagements*, and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Description of procedures performed

Procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. 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. Our procedures were designed to obtain a limited level of assurance on which to base our conclusion and do not provide all the evidence that would be required to provide a reasonable level of assurance.

Although we considered the effectiveness of management's internal controls when determining the nature and extent of our procedures, our assurance engagement was not designed to provide assurance on internal controls. Our procedures did not include testing controls or performing procedures relating to checking aggregation or calculation of data within IT systems.

A limited assurance engagement consists of making enquiries, primarily of persons responsible for preparing the Subject Matter and related information, and applying analytical and other appropriate procedures.

Our procedures included:

- · Conducting interviews with relevant personnel to obtain an understanding of the reporting processes and internal controls;
- Inquiries of relevant personnel who are responsible for, where relevant, observing and inspecting systems and processes for data aggregation and reporting in accordance with the Criteria;
- Assessing the accuracy of data, through analytical procedures and reperformance of select calculations, where applicable; and
- · Reviewing presentation and disclosure of the Subject Matter in the Reports.

We also performed such other procedures as we considered necessary in the circumstances.

Inherent limitations

Non-financial information, such as the Subject Matter, are subject to more inherent limitations than financial information, given the more qualitative characteristics of the Subject Matter and the methods used for determining such information. The absence of a significant body of established practice on which to draw allows for the selection of different but acceptable evaluation techniques which can result in materially different evaluation and can impact comparability between entities and over time.

Conclusion

Based on our procedures and the evidence obtained, nothing has come to our attention that causes us to believe that the Subject Matter as of December 31, 2021 and for the year ended December 31, 2021, are not prepared, in all material respects, in accordance with the Criteria.

Crost + young LLP

Chartered Professional Accountants

June 22, 2022 Vancouver, Canada

Schedule

Our limited assurance engagement was performed on the following performance indicators as of December 31, 2021 and for the year ended December 31, 2021, as indicated:

Criteria		Subject Matter	Suncor Report	Scope ^(b)	Reported Value for the year ended December 31, 2021
GRI Standard Applied ^(a)	SASB Standard Applied ^(a)	Performance Indicator			
GRI OG1	EM-EP-000.A	Upstream processed volumes and net production	2022 Report on Sustainability, 2022 Climate Report	Company-wide	30.94 million m ³ OE/yr
GRI OG1	EM-EP-000.A	Downstream net production	2022 Report on Sustainability, 2022 Climate Report	Company-wide	24.97 million m ³ OE/yr
GRI OG1	EM-EP-000.A	Total upstream and downstream production	2022 Report on Sustainability, 2022 Climate Report	Company-wide	49.27 million m ³ OE/yr
GRI OG1 GRI 305-2	EM-EP-110a.1 EM-RM-110a.1 EM-MM-110a.1	Greenhouse gas (GHG) Scope 1 emissions (operated)	2022 Report on Sustainability, 2022 Climate Report	Company-wide	20,159 thousand tonnes CO_2e
GRI 305-2		Greenhouse gas (GHG) Scope 2 emissions (operated)	2022 Report on Sustainability, 2022 Climate Report	Company-wide	1,398 thousand tonnes CO ₂ e
GRI 305-4		Operated total GHG emission intensity	2022 Report on Sustainability, 2022 Climate Report	Company-wide	66 kg/BOE
GRI 303-3	EM-EP-140a.1 EM-RM-140a.1 EM-MM-140a.1	Water withdrawal	2022 Report on Sustainability	Company-wide	107.79 million m ³
GRI 303-3	EM-EP-140a.1 EM-RM-140a.1 EM-MM-140a.1	Water withdrawal intensity	2022 Report on Sustainability	Company-wide	0.35 m ³ /BOE
GRI 403-9	EM-EP-320a.1 EM-RM-320a.1 EM-mm-320a.1	Employee and contractor fatalities	2022 Report on Sustainability	Company-wide	1

(a) Standard may include disclosure requirements for other performance indicators that are not within scope of this limited assurance engagement. Performance indicators that are in-scope have been detailed in this schedule.

(b) Company-wide values do not include Syncrude asset. Performance indicators for Syncrude are included separately in the 2022 Sustainability Performance Data Document.

Criteria		Subject Matter	Suncor Report	Scope ^(b)	Reported Value for the year ended December 31, 2021
GRI Standard Applied ^(c)	SASB Standard Applied ^(c)	Performance Indicator			
GRI OG1	EM-EP-000.A	Upstream processed volumes and net production	2022 Sustainability Performance Data Document	Syncrude asset	16.49 million m ³ OE/yr
GRI OG1	EM-EP-000.A	Downstream net production	2022 Sustainability Performance Data Document	Syncrude asset	N/A
GRI OG1	EM-EP-000.A	Total upstream and downstream production	2022 Sustainability Performance Data Document	Syncrude asset	16.49 million m ³ OE/yr
GRI OG1 GRI 305-2	EM-EP-110a.1 EM-RM-110a.1 EM-MM-110a.1	Greenhouse gas (GHG) Scope 1 emissions (operated)	2022 Sustainability Performance Data Document	Syncrude asset	12,476 thousand tonnes CO ₂ e
GRI 305-2		Greenhouse gas (GHG) Scope 2 emissions (operated)	2022 Sustainability Performance Data Document	Syncrude asset	12 thousand tonnes $\rm CO_2e$
GRI 305-4		Operated total GHG emission intensity	2022 Sustainability Performance Data Document	Syncrude asset	120 kg/BOE
GRI 303-3	EM-EP-140a.1 EM-RM-140a.1 EM-MM-140a.1	Water withdrawal	2022 Sustainability Performance Data Document	Syncrude asset	69.09 million m ³
GRI 303-3	EM-EP-140a.1 EM-RM-140a.1 EM-MM-140a.1	Water withdrawal intensity	2022 Sustainability Performance Data Document	Syncrude asset	0.67 m ³ /BOE
GRI 403-9	EM-EP-320a.1 EM-RM-320a.1 EM-mm-320a.1	Employee and contractor fatalities	2022 Sustainability Performance Data Document	Syncrude asset	1

(b) Company Wide values do not include Syncrude asset. Performance indicators for Syncrude are reported separately in the 2022 Sustainability Performance Data Document

(c) Syncrude data has been informed by GRI and SASB standards, and is reported in the detailed 2022 sustainability performance document. Not all required disclosures by GRI and SASB as described in the ESG Disclosure Index 2022 have been made for Syncrude as Suncor did not operate the Syncrude Project for the entire 2021 calendar year and its data is not incorporated into Suncor corporate-wide totals. Syncrude will be integrated into Suncor's corporate-wide totals and aligned with the required standards in future sustainability disclosure.

Criteria		Subject Matter	Suncor Report	Scope ^(b)	Reported Value as at December 31, 2021
GRI Standard Applied ^(a)	SASB Standard Applied ^(a)	Performance Indicator			
GRI 304-1	EM-EP-160a.3 EM-MM-160a.3	Total land disturbed	2022 Report on Sustainability	Company-wide	35,654 cumulative hectares
GRI 304-1	EM-EP-160a.3 EM-MM-160a.3	Land reclaimed	2022 Report on Sustainability	Company-wide	2,878 cumulative hectares

(a) Standard may include disclosure requirements for other performance indicators that are not within scope of this limited assurance engagement. Performance indicators that are in-scope have been detailed in this Schedule.

(b) Company Wide values do not include Syncrude asset. Performance indicators for Syncrude are reported separately in the 2022 Sustainability Performance Data Document

Criteria		Subject Matter	Suncor Report	Scope ^(b)	Reported Value as at December 31, 2021
GRI Standard Applied ^(c)	SASB Standard Applied ^(c)	Performance Indicator			
GRI 304-1	EM-EP-160a.3 EM-MM-160a.3	Total land disturbed	2022 Sustainability Performance Data Document	Syncrude asset	31,455 cumulative hectares
GRI 304-1	EM-EP-160a.3 EM-MM-160a.3	Land reclaimed	2022 Sustainability Performance Data Document	Syncrude asset	5,053 cumulative hectares

(b) Company Wide values do not include Syncrude asset. Performance indicators for Syncrude are reported separately in the 2022 Sustainability Performance Data Document

(c) Syncrude data has been informed by GRI and SASB standards, and is reported in the detailed 2022 sustainability performance document. Not all required disclosures by GRI and SASB as described in the ESG Disclosure Index 2022 have been made for Syncrude as Suncor did not operate the Syncrude Project for the entire 2021 calendar year and its data is not incorporated into Suncor corporate-wide totals. Syncrude will be integrated into Suncor's corporate-wide totals and aligned with the required standards in future sustainability disclosure.

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Forward-looking statements

Suncor's 2022 Report on Sustainability contains certain forward-looking statements and forward-looking information (collectively, "forwardlooking statements") within the meaning of applicable Canadian and U.S. securities laws. Forward-looking statements in Suncor's 2022 Report on Sustainability include references to: The expectation that Suncor will be a net-zero greenhouse gas (GHG) emissions company by 2050 and substantially contribute to society's net-zero goals; the belief that a net-zero world and Suncor's contribution to it will create value for our shareholders, customers and wider society; the expectation to learn and benefit from Syncrude's environmental, social and governance (ESG) efforts over the years with Indigenous communities, the building of an inclusive workforce and an unwavering commitment to innovation; the expectation of sustainability opportunities emerging from Suncor as operator for Syncrude; the expectation that Syncrude performance will be fully incorporated into Suncor's data in the 2023 report; the expectation that Syncrude's development of petroleum coke tailings water treatment will produce treated water that will support aquatic life and can be released in a manner to ensure protection of downstream uses; the expectation of closing several tailings facilities and increasing treatment capacity at Syncrude and Fort Hills; the intention to offset future Syncrude land disturbance through a partnership with the Nature Conservancy of Canada and the Tallcree First Nation to create the Birch River Wildland Provincial Park; the expectation of the full integration of Syncrude's workforce; the expectation that Suncor, Petro-Canada™ and Syncrude make direct investments to support social, economic and environmental solutions in communities; the belief that the company will sustain and optimize our base business while improving cost and carbon competitiveness; the belief that Suncor will grow low GHG emissions businesses that will materially contribute to earnings and cash flow; the expectation that we will grow our customer connection through new low-carbon products and services; the belief that Suncor will achieve world-class ESG performance and disclosure while being recognized as a leader in sustainability and the energy transition; the belief that Suncor continues to evolve its strategy so we can grow our company and strengthen our ability to deliver trusted energy that enhances people's lives; the expectation that we will reach annual emission reductions of 10 Mt across our value chain by 2030; the belief that we will reach net-zero goals using multiple parallel pathways: electrification, fuel substitution, energy efficiency, carbon capture, process improvements and the implementation of emerging technologies and engaging with our customers and other stakeholders on emissions reductions; the expectation about our plans to partner with ATCO on a potential world-scale hydrogen project in Alberta; the expectation that our plans to increase our engagement with local communities and authorities will help provide timely, transparent and accessible information about our operations and the improvements we're making to minimize our environmental impact and keep communities safe; the belief that we are shifting our culture toward greater inclusion, diversity and belonging at work and in the world around us; the belief that Suncor will grow its business in segments that are already integral to our business and that have the potential to improve the cost performance and margin capture of our base business while strengthening our environmental performance; the belief that we are moving in the direction of having global standards for improved sustainability disclosure and a simplification of the corporate reporting landscape; the belief in our goal to reduce emissions of our current operations and expand our energy offerings into low-emissions businesses to provide the energy the world needs; beliefs and expectations about Suncor's goal to be net-zero emissions by 2050 and by 2030 reduce annual emissions by 10 Mt across our value chain; that Suncor strives to be an industry leader in sustainable energy development through continuous improvements in emissions, water use, land reclamation and biodiversity performance; the belief that addressing climate change and providing the low-GHG energy the world needs requires investment, technological advancement, product innovation, regulatory support and collaborative partnerships; that we work to align with the recommendations of the Task Force on Climate-related Financial Disclosures; that we're working to reduce our emissions, and help others reduce theirs by satisfying growing energy needs; that Suncor is working to reduce air emissions from our operations, through operational excellence, project design and technology and the importance of this management; that we continue to test and pilot new technologies to grow our understanding of air emissions; the belief that by upgrading the automatic shutdown systems for our gasoline production units, the Commerce City Refinery has completed the required elements from the 2021 Improvement Plan, enhancing safety for the surrounding community; the belief that moving towards a circular economy can be critical to supply chain security and environmental performance; that we work to prevent spills and releases and how this is done; that we are committed to continually improving our spill prevention and response capacity; the belief that due to the size and complexity of our operations we must continuously improve our reporting practices and strengthen mitigation efforts to further reduce the number and volume of spills; the belief that water is a shared and precious resource that must be managed wisely using a balanced, integrated and sustained approach; the belief that it is important to find ways to continuously improve our water use efficiency (including limited water withdrawals and optimizing recycling) and safely release water from our operations; the belief that our culture of operational discipline and continuous improvement guides how we manage our water use, reduce our impacts and protect the environment; the belief that water release is part of managing water responsibly and is critical to achieving successful reclamation and closure; the expectation that we will continue to explore and implement local initiatives that will result in more efficient water use; the expectation that we will continue to

Our approach

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monitor the status of the basis going forward while focusing on implementing industry-leading innovation at our facilities to reduce, recycle, reuse and return water; the belief that tailings reclamation requires continuous learning, collaboration and innovation; that we're working to treat and dewater fluid tailings to support reclamation plans and support biodiversity in the areas where we operate; the expectation that industry regional tests will continue as annual events and that Suncor will conduct it's first regional test with external stakeholders in the fall of 2022, followed by Syncrude Mildred Lake operations in 2023; the expectation to learn from each other and to integrate Suncor and Syncrude approaches to reclamation; that Suncor is committed to preserving and promoting biodiversity in all areas where we work; the belief that we are enhancing our incident investigation training to embed learnings in our work practices and implement mitigating actions; the expectation that Suncor fosters a culture of well-being that supports and enables our workforce to be their best and contribute their best every day, in the workplace, at home and within their communities; that we continue to evaluate the needs of our people and provide support to focus on overall well-being, including psychological wellness; that we are planning for future workforce needs; that we are working to create a more engaging and productive workplace; expectations and beliefs about planning for future workforce needs; that we are working to create an inclusive and diverse work environment where everyone feels respected, trusted, safe, supported and their opinions are valued; that we are working to build a more inclusive workplace and develop the skills to appropriately engage with Indigenous Peoples; that it is our goal is to create a great place to work for all by creating a work environment that provides everyone with the opportunity to meaningfully contribute to the organization's performance while feeling safe, valued and respected; that the Journey of Reconciliation reflects our continued transformation within the organization and in relationships with Indigenous Peoples; the expectation that Suncor is putting more focus on what we're learning and sharing those experiences through storytelling and building on the Indigenous oral tradition; the belief that Suncor's inclusive and diverse work environment supports strong business performance, differentiates us in our communities and helps us to attract and retain Indigenous employees who want to build meaningful careers for the long term; that we aim to build capacity for social innovation in communities and within Suncor as part of our strategy; that with the goal to inspire Canadians to help, the CareMakers Foundation will work to raise funds to enable and amplify the work of charitable organizations in Canada; that we are working to align our practices with the United Nations Guiding Principles on Business and Human Rights; the belief that with a strong corporate governance structure and commitment to addressing ESG issues through diverse perspectives, Suncor is wellpositioned to be a sustainable energy company for years to come; the belief we have created a strong foundation for resilient and sustainable energy development; the belief that engaging with others will help us find solutions to our shared challenges; the belief that engaging with others will help us find solutions to our shared challenges; that we are working to ensure Suncor is regarded as a Canadian business leader on all dimensions of sustainability - economic, environmental and social; that we are a welcomed and influential participant and contributor to the energy system transformation; the strategic objective is to optimize our base business, using technology and innovation to reduce cost and carbon emissions; and the belief in engaging our employees and building a culture where feedback is encouraged; the belief that the Terra Nova Asset Life Extension Project is expected to extend production life by approximately 10 years, produce an additional 70 million barrels of oil for the partnership and return to operation before the end of 2022; the expectation of a reduction in NO_v emissions once the Base Plant Coke Boiler Replacement Project is fully operational; the expectation of a smaller fluid tailings inventory; the anticipation that integrating our mining operations will lead to further opportunities to share best practices towards reducing fluid tailings volumes; the anticipation of a drained tailing facility being removed from the landscape this decade; the expectation of construction of an Indigenous Outdoor Gathering Space for youth to start later this year; the anticipation that the integration of Suncor and Syncrude operations will build on our collective strength in all areas of sustainability and lead to further improvements and benefits for our workforce, facilities, communities and stakeholders; the anticipation of mineable resource at Base Plant's Millennium and North Steepbank Extension mines to be depleted in the next decade (2030s).

Some of the forward-looking statements and information may be identified by words like "expected", "anticipated", "will", "estimates", "plan", "scheduled", "intended", "believes", "projected", "indicates", "could", "focus", "vision", "mission", strategy", "goal", "outlook", "proposed", "target", "objective", "continue", "should", "may", "aim", "strives", "would", "potential", "committed", "opportunity" and similar expressions. Forward-looking statements are based on Suncor's current expectations, estimates, projections and assumptions that were made by the company in light of information available at the time the statement was made and consider Suncor's experience and its perception of historical trends, including expectations and assumptions concerning: the accuracy of reserves and resources estimates; the current and potential adverse impacts of the novel coronavirus pandemic; commodity prices and interest and foreign exchange rates; the sufficiency of budgeted capital expenditures in carrying out planned activities; the availability and cost of labour, services and infrastructure; the satisfaction by third parties of their obligations to Suncor; the development and execution of projects; the receipt, in a timely manner, of regulatory and third-party approvals; assumptions relating to demand for oil, natural gas, distillates, gasoline, diesel and other energy



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sources; the development and performance of technology; population growth and dynamics; assumptions relating to long-term energy future scenarios; and Suncor's carbon price outlook. Forward-looking statements are not guarantees of future performance and involve a number of risks and uncertainties, some that are similar to other oil and gas companies and some that are unique to Suncor's actual results may differ materially from those expressed or implied by its forward-looking statements, so readers are cautioned not to place undue reliance on them. Risks, uncertainties and other factors that could influence the financial and operating performance of all of Suncor's operating segments and activities include, but are not limited to, changes in general economic, market and business conditions, such as commodity prices, interest rates and currency exchange rates (including as a result of demand and supply effects resulting from the COVID-19 pandemic and the actions of OPEC and non-OPEC countries); fluctuations in supply and demand for Suncor's products; the successful and timely implementation of capital projects, including growth projects and regulatory projects; risks associated with the development and execution of Suncor's major projects and the commissioning and integration of new facilities; the possibility that completed maintenance activities may not improve operational performance or the output of related facilities; the risk that projects and initiatives intended to achieve cash flow growth and/or reductions in operating costs may not achieve the expected results in the time anticipated or at all; competitive actions of other companies, including increased competition from other oil and gas companies or from companies that provide alternative sources of energy; labour and material shortages; actions by government authorities, including the imposition or reassessment of, or changes to, taxes, fees, royalties, duties and other government-imposed compliance costs; changes to laws and government policies that could impact the company's business, including environmental (including climate change), royalty and tax laws and policies; the ability and willingness of parties with whom Suncor has material relationships to perform their obligations to the company; the unavailability of, or outages to, third-party infrastructure that could cause disruptions to production or prevent the company from being able to transport its products; the occurrence of a protracted operational outage, a major safety or environmental incident, or unexpected events such as fires (including forest fires), equipment failures and other similar events affecting Suncor or other parties whose operations or assets directly or indirectly affect Suncor; the potential for security breaches of Suncor's information technology and infrastructure by malicious persons or entities, and the unavailability or failure of such systems to perform as anticipated as a result of such breaches; security threats and terrorist or activist activities; the risk that competing business objectives may exceed Suncor's capacity to adopt and implement change; risks and uncertainties associated with obtaining regulatory, third-party and stakeholder approvals outside of Suncor's control for the company's operations, projects, initiatives and exploration and development activities and the satisfaction of any conditions to approvals; the potential for disruptions to operations and construction projects as a result of Suncor's relationships with labour unions that represent employees at the company's facilities; our ability to find new oil and gas reserves that can be developed economically; the accuracy of Suncor's reserves, resources and future production estimates; market instability affecting Suncor's ability to borrow in the capital debt markets at acceptable rates or to issue other securities at acceptable prices; maintaining an optimal debt-to-cash-flow ratio; the success of the company's marketing and logistics activities using derivatives and other financial instruments; the cost of compliance with current and future environmental laws, including climate change laws; risks relating to increased activism and public opposition to fossil fuels and oil sands; risks and uncertainties associated with closing a transaction for the purchase or sale of a business, asset or oil and gas property, including estimates of the final consideration to be paid or received; the ability of counterparties to comply with their obligations in a timely manner; risks associated with joint arrangements in which the company has an interest; the risk the company may be subject to litigation; the impact of technology and risks associated with developing and implementing new technologies; and the accuracy of cost estimates, some of which are provided at the conceptual or other preliminary stage of projects and prior to commencement or conception of the detailed engineering that is needed to reduce the margin of error and increase the level of accuracy. The foregoing important factors are not exhaustive.

Suncor's Management's Discussion and Analysis for the first quarter of 2022 dated May 9, 2022, its Annual Information Form, and Annual Report to Shareholders, each dated February 23, 2022, and Form 40-F dated February 24, 2022 and other documents it files from time to time with securities regulatory authorities describe the risks, uncertainties, material assumptions and other factors that could influence actual results, and such factors are incorporated herein by reference. Copies of these documents are available without charge from Suncor at 150 6th Avenue S.W., Calgary, Alberta T2P 3E3, by calling 1-800-558-9071, or by email request to info@suncor.com or by referring to the company's profile on SEDAR at sedar.com or EDGAR at sec.gov. Except as required by applicable securities laws, Suncor disclaims any intention or obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. Advisories

Reclamation and revegetation plans

Reclaimed land is considered permanently reclaimed when landform construction and contouring, clean material placement (as required), reclamation material placement and revegetation has taken place. Land cannot be listed under permanent reclamation until revegetation has occurred that is reflective of the approved reclamation and revegetation plans.

BOEs and conversions

Certain natural gas volumes have been converted to barrels of oil equivalent (BOE) on the basis of one barrel of oil to six thousand cubic feet of natural gas. Any figure presented in boe may be misleading, particularly if used in isolation. A conversion ratio of one barrel of crude oil or natural gas liquids to six thousand cubic feet of natural gas is based on an energy-equivalency conversion method primarily applicable at the burner tip and does not necessarily represent a value equivalency at the wellhead. Given that the value ratio based on the current price of crude oil as compared to natural gas is significantly different from the energy equivalency of 6:1, utilizing a conversion on a 6:1 basis may be misleading as an indication of value. Cubic metres of oil equivalent are calculated on the basis of one BOE to 0.159 standard cubic metres. As cubic metres of oil equivalent are based on a conversion involving BOE, all values are subject to the same limitations as BOE, noted above.

Suncor

Suncor Energy Inc. has numerous direct and indirect subsidiaries, partnerships and joint arrangements ("affiliates"), which own and operate assets and conduct activities in different jurisdictions. The terms "we", "our", "Suncor", or "the company" are used herein for simplicity of communication and only mean that there is an affiliation with Suncor Energy Inc., without necessarily identifying the specific nature of the affiliation. The use of such terms in any statement herein does not mean that they apply to Suncor Energy Inc. or any particular affiliate and does not waive the corporate separateness of any affiliate.

Partnerships

The use of "partnership" throughout Suncor's 2022 Report on Sustainability does not necessarily mean a partnership in the legal context.

Currency

Unless otherwise stated, references to "dollars" or "\$" means Canadian dollars.

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