



SUNCOR
ENERGY

Report on
Sustainability
2021

SUNCOR

Table of contents

■ Our approach	3	■ Governance	46
Our purpose and strategy	4	Ethics	47
Message from our Chief Executive Officer	5	Corporate governance	48
Q&A with our Chief Sustainability Officer	7	Risk management	50
ESG highlights	9	Supply chain	52
Transformation	11	■ Appendix	54
■ Environment	13	About our report	55
Climate change	14	Performance data	58
Air quality	15	Performance data footnotes	64
Waste management	17	Independent practitioner's assurance report	73
Spills and releases	18	GRI/SASB disclosure index	76
Water stewardship	19	UN Sustainable Development Goals (SDGs)	88
Tailings management	22	UNGC communications report	90
Land use and reclamation	25	Advisories	92
Biodiversity	27		
■ Social	28		
Personal and process safety	29		
Health and wellness	32		
Workforce	33		
Inclusion and diversity	35		
Indigenous relations	37		
Community investment	41		
Human rights	44		



Hear from our
Chief Executive Officer and
Chief Sustainability Officer

Suncor's updated strategy

\$535 million
in technology investment

Our approach

To live Suncor's purpose of providing trusted energy, our updated strategy focuses on sustainable energy development, long-term thinking and becoming a net-zero company by 2050.

- > Our purpose and strategy
- > Message from our CEO
- > Q&A with our CSO
- > ESG highlights
- > Transformation

Our purpose and strategy

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 SIX STRATEGIC OBJECTIVES



Suncor's strategy is designed to create value for our shareholders, customers and wider society. Six strategic objectives support our purpose and guide our strategy:

- Grow long-term returns on invested capital and increasing shareholder returns.
- Be a net-zero GHG emissions company by 2050 and substantially contribute to society's net-zero goals.
- Sustain and optimize our base business while improving cost and carbon competitiveness.
- Grow low-GHG emissions businesses that will materially contribute to earnings and cash flow.
- Grow our customer connection through new low-carbon products and services.
- Achieve world-class ESG performance and disclosure while being recognized as a leader in sustainability and the energy transition.

Message from our Chief Executive Officer

Reflecting on Suncor's sustainability journey since our last report, I am reminded of our purpose, which drives our decisions and actions in a world facing global challenges – from climate change to a pandemic to systemic racism. Our purpose is an important link between our business strategy and how we see ourselves remaining competitive while charting pathways to greater economic, environmental and social prosperity.



Mark Little President and Chief Executive Officer

An energy company for the future

We continue to evolve our strategy so we can grow our company and strengthen our ability to deliver trusted energy that enhances people's lives. As we create value and returns for our shareholders, we have set an objective to be a net-zero emissions company by 2050, contributing to society's net-zero goals. This includes reducing annual emissions by 10 megatonnes (Mt) across our value chain by 2030. While we continue to progress toward the 2030 intensity goal (30% reduction) that we set in 2015, this new goal increases our ambition and better aligns with our objective to reach net-zero emissions.

Our strategy outlines three integrated pathways to net-zero: reducing our emissions from our base business through energy efficiency improvements, fuel switching and carbon capture and storage; expanding lines of business in low-emissions power, renewable fuels and hydrogen; and engaging with our customers and other stakeholders on emissions reductions. In some cases, low-emissions projects will contribute to more than one pathway, building on the benefits of our integrated business.

Improving our base business cost and emissions performance is well underway and we continue to advance projects like the Oil Sands Base Plant coke-boiler replacement. This initiative is expected to deliver 800 megawatts of low-carbon electricity and allow for millions of tonnes of GHG emissions reductions annually. This focus area also means accelerating new technology development and working and investing with new partners such as Svante to accelerate the commercial scale deployment of carbon capture technology.

Expanding our low-GHG emissions businesses in renewable fuels, low-emissions electricity and hydrogen are already integral to our business and where we have deep understanding and experience. These expanded lines of business are a natural fit with our integrated model and existing operations which will deliver shareholder value. We are one of the largest consumers of these expanded energy sources so by building these capabilities, we are not only our own best customer, but we are also reducing market risk associated with developing new lines of business. We recently announced our plans to partner with ATCO on a potential world-scale hydrogen project in Alberta that builds on our 50 years of experience producing and using hydrogen in upgrading and refining operations.

Message from our Chief Executive Officer

Equally important is working with customers, suppliers, governments and innovators to reduce emissions. We do this by providing funding, resources and know-how to develop and deploy clean technologies and products. For example, we are helping to develop sustainable aviation fuel through our partnership with Lanzajet, turning waste into renewable fuels with Enerkem and offering low carbon options for our Petro-Canada™ customers through Canada's Electric Highway™.

We're excited about the opportunities ahead of us and we also know that we can't achieve ambitious climate goals alone. It's why I'm proud that Suncor has partnered on the [Oil Sands Pathways to Net Zero](#) initiative, an unprecedented alliance to achieve net-zero greenhouse gas emissions to help Canada meet its climate goals. All the participating members are proud Canadian companies who share the aspiration of Canadians to find realistic solutions to the challenge of climate change. Along with governments and innovators, we're well positioned to be global leaders in responsible energy production.

Caring for the Earth

Looking at other aspects of environmental performance, I am proud of our progress in key areas like tailings and reclamation. Since 2010, we have reduced fluid tailings inventories by greater than 10% at Base Plant. Our demonstration pit lake, Lake Miwasin — which is informed by Indigenous knowledge and involves local Indigenous communities in ongoing monitoring — shows evidence of supporting rich water quality, plants and wildlife. We are increasing our engagement with communities around our Commerce City Refinery in Colorado to share our challenges and our progress in air and water, knowing we need to do better to foster trust and confidence. Based on consultation with local communities and authorities, our plans include providing timely, transparent and accessible information about our operations and the improvements we're making to minimize our environmental impact and keep communities safe.

Caring for each other

World events of 2020 and 2021 have cast a greater light on the need to care for each other — through the pandemic and addressing racial injustice, inequity and social discrimination. We need to support people and protect their physical and mental well-being. Within Suncor, that has meant a relentless focus on safety and augmenting our standards, protocols and practices. This is particularly important given the three tragic contractor fatalities we experienced in late 2020 and early 2021. We are doing everything in our power to ensure this doesn't happen again.

Our commitment to care for each other led us to launch our Petro-Canada CareMakers Foundation™. It will bring awareness

and support to the more than eight million family caregivers in Canada by providing grants to non-profit organizations across the country to enhance and amplify the ways they assist the essential work of caregivers and the challenges they face.

While there is more work ahead to foster care and belonging, we are making progress. By facilitating critical conversations and deep dialogue, and through meaningful actions, we are shifting our culture toward greater inclusion, diversity, and belonging — at work and in the world around us. Today, we have seven employee-led inclusion networks with more than 3,000 members. We use storytelling and cultural learning opportunities to foster awareness, increase empathy and build skills among leaders and employees to support a respectful and inclusive workplace. And we continue to examine and modify our processes and policies — including hiring, succession planning and parental leaves — to mitigate systemic bias and to build a great place to work for everyone.

We're focusing on our community relationships, most critically with Indigenous Peoples and evolving our social goal to Journey of Reconciliation (JOR) to reflect the ongoing nature of this relationship. We've updated our focus areas and by blending measurement with traditional storytelling, the JOR will provide a well-rounded picture of how we are progressing the way we think and act to build mutual trust and respect with Indigenous Peoples.

Achieving world-class ESG performance

As Canada's leading integrated energy company, we embrace our role in shaping our shared and sustainable energy future. We have a strong foundation to build on and we are up for the challenge. We have been evolving and growing our business for decades, embracing technological change and innovation, expanding through the energy value chain and working with diverse partners to evolve the oil sands industry into one of the world's most reliable and ESG-leading oil operations. While our strengths and our history of successfully tackling complex problems give us confidence, we can't do it alone. We are truly stronger together and I want to thank all of Suncor's people, communities and partners for being a part of this work. I encourage you to read our full 2021 Report on Sustainability to discover more about what we have achieved — and hope to achieve — together.



Mark Little
President and Chief Executive Officer

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Q&A with our Chief Sustainability Officer



Martha Hall Findlay Chief Sustainability Officer

Globally, COVID-19 has been a tremendous challenge, but it's also been a period of rapid change and transformation. How has this affected sustainability at Suncor and what does world-class environment, social and governance (ESG) performance mean?

While working through the challenges of the pandemic, big systemic social issues — including Indigenous reconciliation, racism, and climate change — have reached a turning point and are driving more and more companies to act. Suncor has cared about these issues for years, but more recent conversations and events of 2020 and into 2021 have shed an even greater light on the need to do more.

We are a successful energy business and our refreshed strategy combines even better business success, including addressing these ESG concerns and opportunities. Our purpose — to deliver trusted energy the world needs while caring for each other and the Earth — is an important link between our commitment to sustainability, our strategy and how we respond to these global challenges.

Whether it's working with Indigenous communities on equity interest opportunities, reducing our GHG emissions, managing our water use or expanding our clean energy offerings, we continue to progress our sustainability performance. We continue to aim for global leadership across all ESG metrics and disclose our progress and challenges — fully and transparently.

You've said over the last year that Suncor would declare a net-zero by 2050 target only when the company had a realistic framework to get there. Can you describe the process and what makes this the right strategy for Suncor?

This year we did a ground-up refresh and review of Suncor's entire business to develop a concrete — and doable — path forward. A company-wide team, with support and input from Suncor's Board of Directors, identified areas we have existing expertise that we can leverage — for example in renewable fuels, electricity and hydrogen — alongside ways to improve emissions and costs in our energy business. We also had to meet two key criteria: to earn investor returns, bringing value to the business from our existing integrated operations, customer base and internal expertise; and to continue to reduce emissions and improve our environmental performance.

Our strategy outlines three complementary approaches to get to net-zero: reducing emissions from our base business through energy efficiency, fuel switching and carbon capture and storage; expanding lines of business in the low emissions power, renewable fuels and hydrogen sectors; and working with our customers, suppliers and other stakeholders to reduce emissions. Our competitive advantage is our ability to leverage our existing experience and expertise across all three avenues.

This natural evolution for us builds on two decades of renewable energy experience, our involvement in climate policy, investing in GHG emissions reduction since the mid 1990s, and, in more recent years, our involvement in renewable fuels and clean technology funds and companies. Investors and other stakeholders told us they supported these investments but did not necessarily understand the big picture, how they linked together, and our future direction. Our new strategy connects the dots and aligns with society and the aims of the Paris Agreement as we look to develop our reliable and abundant sources of energy responsibly and expand into promising new opportunities to increase shareholder returns.

Can you talk about expanding your low GHG emissions businesses?

We will grow our business in segments that are already integral to our business where we have expertise and that have the potential to improve the cost performance and margin capture of our base business while strengthening our environmental performance.

Q&A with our Chief Sustainability Officer

- **Renewable fuels** – Since 2006, Suncor has been making a significant impact in Canada’s emerging biofuels industry with our St. Clair Ethanol Plant. We’ve also made recent investments in companies like LanzaTech, LanzaJet and Enerkem that advance clean and renewable fuels.
- **Electricity** – We’re already a low-emission energy producer through four highly efficient natural-gas-powered cogeneration operations and four wind power assets. We will be an even larger producer over the coming years with investments in new cogeneration and renewable projects that displace more intensive forms of energy that supply the power grid such as coal. Combined with our wind power projects, we are reducing our emissions intensity while meeting growing customer demand for lower-carbon energy.
- **Hydrogen** – We have 50+ years’ experience producing and using hydrogen in our refining and upgrading operations. And with abundant natural gas resources and geology well-suited to the utilization and permanent storage of CO₂, Alberta is one of the best places in the world to produce clean hydrogen.

Does Suncor believe the oil sands can be carbon-competitive?

Yes, indeed, via our new [Oil Sands Pathways to Net Zero](#) alliance, our goal is not only to be carbon competitive, but also to be the globe’s cleanest and preferred source of this important energy source. In addition to Pathways, we are continuously improving to get there. For example, our newest oil sands mine, Fort Hills, is half the GHG intensity of the oil sands average and similar to the average intensity of U.S.-refined crude on a wells-to-wheels basis. And we’re always looking at further ways to reduce emissions as outlined in our net-zero objective. This includes replacing our aging coke-fired boilers at Base Plant with cogeneration units, accelerating the commercial scale deployment of carbon capture technology through our investment in Svante and Pathways alliance, and testing new thermal-solvent extraction methods that have the potential to significantly reduce emissions as well. We’re pursuing many avenues because there won’t be only one solution.

Your strategy refers to engaging with your customers and other stakeholders on emission reductions. What do you mean by this?

In addition to lowering our base business emissions and expanding low-emissions businesses, it’s equally important for us to work with customers, suppliers, governments and innovators to support emissions reductions. In some instances, we do this through continued collaboration to develop and deploy clean technologies like sustainable aviation fuel through our partnership with LanzaJet, and turning residential and commercial waste into biofuels through our investments in Enerkem. Through our Petro-Canada™ business, we interact with 1.5 million Canadians a day and almost five million

Canadian Petro-Points™ members. We can help these valued customers be partners in a net-zero world by understanding their consumption and helping them lower their carbon emissions, for example, by providing lower emission energy choices such as our coast-to-coast Electric Highway™ of electric vehicle (EV) charging stations, and by blending renewable fuels into the gasoline and diesel they purchase.

There is a lot of discussion on ESG reporting and the need for standard frameworks and metrics. What is Suncor’s view?

In 2020, the world’s largest investors and companies — and key regulators — recognized the need for improved sustainability disclosure and a simplification of the corporate reporting landscape, and we are moving now in the direction of having global standards. We already align with GRI, SASB and TCFD reporting standards, and we welcome the global move toward more standardization and global recognition of the importance of environmental, social and governance metrics. The ability to have comparable metrics will provide more reliable information and highlight ESG leaders around the world.

We will continue to provide an honest, transparent and clear picture of both our successes and our challenges. As a Canadian company, our focus on reducing GHG emissions and our ESG performance will demonstrate our global ESG leadership.



ESG highlights

OUR PURPOSE

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



695,000 barrels of oil equivalent per day

96,925 MWh of wind energy generated

\$535 million in technology investment

Canada's largest ethanol facility
336 million litres produced

Canada's Electric Highway™
a coast-to-coast electric vehicle (EV) fast-charging network spanning 57 Petro-Canada™ stations

7.66 million MWh of electricity from low-carbon cogen power generation

1,438 million litres of renewable fuels blended

Over 50 years of expertise in hydrogen

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All data and information represented is from 2020 unless otherwise stated.

ESG highlights

ENVIRONMENT

GHG

20.86 megatonnes CO₂e absolute GHG scope 1 and 2 emissions (operational basis)

27.70 megatonnes CO₂e absolute GHG scope 1 and 2 emissions (equity basis)

Net-zero GHG emissions company by 2050

Water

31.04 million m³ freshwater consumption

92% water recycle rate at Base Plant and Fort Hills mining facilities

95-99% water recycle rate at Firebag and MacKay River in situ facilities

Land and reclamation

2,850 cumulative hectares reclaimed since 1967

Tailings

1 surface reclaimed and **2 tailings ponds advancing to closure**

10% reduction in fluid tailings inventories at Base Plant since 2010

Biodiversity

55 wildlife species recorded at our northern Alberta sites through remotely triggered cameras



SOCIAL

Safety

We value **safety above all else**

Additional resources to support **mental health and well-being**

New **COVID safety protocols** implemented

Workforce

13,270 Suncor employees and contractors

Inclusion and diversity

9% increase in visible minority representation

24% female representation

Community investment

\$36 million in community investments

73,979 hours volunteered by Suncor employees in their local communities

Indigenous relations

Previously known as the social goal, the **Journey of Reconciliation** is one of transformation

83% employee completion of Indigenous web-based training

58 Petro-Canada™ retail and wholesale marketing arrangements with Indigenous communities

3.4% Indigenous workforce representation



GOVERNANCE

Supply chain

4,870 vendors

\$8.6 billion spent on good and services

\$911 million supply chain spend with Indigenous businesses

Ethics

95% of employees completed the Annual Standards of Business Conduct training

Corporate governance

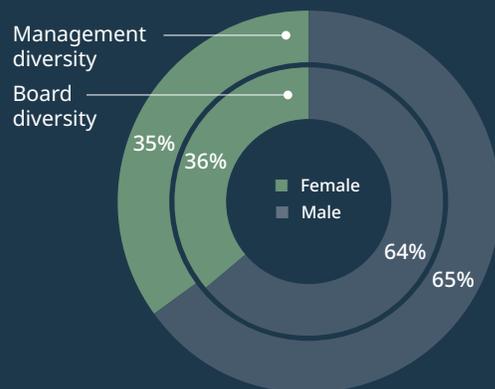
36% female representation on the board

Indigenous representation on the board since 2000

Carbon is a principal risk with **full board oversight**

Executive remuneration tied to **ESG performance**

100% independent chair and committees



Transformation

We are living in an era of exciting and challenging transformation — as a company, an industry and a global community. We have choices to make about our shared energy future and the role we will all play in shaping it. As the world goes through an energy transition, our goal is to reduce emissions of our current operations and expand our energy offerings into low-emissions businesses to provide the energy the world needs. We're reducing our emissions by harnessing technology and innovation – including looking beyond today's current capabilities. As part of this transformation, we also continue to implement new digital technologies across the company to help improve the safety, productivity, reliability and environmental performance of our operations to enable operational efficiencies and drive cost savings. In 2020, we invested \$535 million in technology development, deployment and digitalization; almost 50% of that investment went directly toward emissions-related technology.

Strategic partnerships and investments

Suncor monitors technologies being developed around the world to determine if, and when, an investment or partnership makes sense to advance and adapt to our business. Sometimes we seek out these companies; other times they contact us directly through our technology proposal portal. Where appropriate and if aligned with our strategy, we may invest directly in a company or indirectly through a clean-tech 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, in some instances we invest our technical expertise through 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.

Academic partnerships – Suncor is a long-time supporter of research and program work at leading Canadian universities. We hosted our second Academic Technology Forum virtually in October 2020. The Forum connected Suncor with researchers, technology innovators, engineers, scientists, and academics from around the world, and is another pathway for Suncor to build and strengthen our innovation network.

ArcTern Ventures – Suncor invested in [ArcTern](#), a venture capital firm investing globally in breakthrough clean technology companies addressing climate change and sustainability.

Emerald Technology Ventures – [Emerald Technology Ventures](#) is a clean technology venture capital pioneer we continue to invest in through their Industrial Innovation Fund.



Enerkem – [Enerkem](#) is a waste-to-renewable fuels and chemicals technology developer and producer. In addition to direct investments, Suncor has employees seconded 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 renewable fuels and renewable chemicals.

LanzaJet Inc. – [LanzaJet](#) will produce sustainable aviation fuel (SAF) from ethanol derived from a variety of sustainable sources, including wastes and residues. Suncor is a founding investor alongside Mitsui & Co., Ltd. and LanzaTech Inc., along with Shell and British Airways (International Airlines Group) who formalized their investments in 2021. These investments will help build LanzaJet's first SAF-producing plant Freedom Pines Fuels in Soperton, Georgia, U.S. in 2022 and establish LanzaJet as a global leader in renewable fuels production.

LanzaTech – [LanzaTech's](#) carbon recycling platform uses novel gas fermentation technology to capture CO-rich gases and convert the carbon to fuels and chemicals. For over 10 years, Suncor has partnered with LanzaTech to support the development of their patented technology portfolio for potential deployment within our existing operations as well as next generation biofuel plants.

Microsoft Canada – Suncor has a multi-year strategic alliance with [Microsoft Canada](#) as part of our efforts to empower a connected and collaborative workforce, upgrade data centres, and increase analytics capabilities. We are leveraging Microsoft's full range of cloud solutions to improve safety, productivity and sustainability through artificial intelligence, machine learning, enhanced automation, visualization, and industrial Internet of Things services.

Transformation

Svante – In early 2021, Suncor invested in Vancouver-based [Svante](#), a carbon capture technology company. With support from Suncor and other companies, Svante is accelerating the commercial deployment of its technology to capture CO₂ from heavy-emitting industries like cement, steel, and oil and gas production at a lower cost than current methods.

Meaningful collaboration

The path forward requires significant collaboration between industry, academia and governments. We want to make sure we're pursuing the most effective technologies possible. Because we all have a role to play in the energy transition, we are actively collaborating with different organizations to share knowledge and accelerate our industry forward.

Canada's Oil Sands Innovation Alliance (COSIA)

Suncor is a member of [COSIA](#), an alliance of companies representing roughly 90% of oil sands production. By focusing on the environmental areas of greenhouse gases, 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, currently leading 40. To date, COSIA's combined efforts have involved:

- \$1.8 billion portfolio of more than 1,100 technologies (technology development costs)
- 233 current, active projects with a cost of \$531 million.

Evok Innovations

Suncor is a co-founder of [Evok Innovations](#), along with the BC Cleantech CEO Alliance and Cenovus Energy to accelerate early-stage technologies. Evok is a Vancouver-based fund that combines the pace and creativity of a Silicon Valley startup with the experience and insight of industry insiders. Evok drives innovation by deeply understanding industrial challenges, leveraging a global network of entrepreneurs to find solutions, and providing the investment, mentorship, and market access to accelerate deployment for game-changing results.

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. Since 2016, Evok has funded 13 clean technology companies.

Clean Resource Innovation Network (CRIN)

Suncor is a leading member of [CRIN](#), which aims to position Canada as a global leader in producing clean hydrocarbons from source to end use. The network unites oil and gas industry professionals, innovators, investors, startups, policy-makers, incubators and accelerators, researchers and students. Together they advance technologies aimed at improving our economic and environmental performance, and with the potential for export to global markets, emphasizing the impact our country can contribute to help address global challenges.

In early 2021, CRIN announced \$80 million for three technology competitions to support Canada's clean technology leadership. In partnership with the Government of Canada, which is providing financial support through the Strategic Innovation Fund, CRIN is seeking to identify game-changing technologies in three areas: reducing environmental footprints; low-emission fuels and products; and, digital oil and gas.

Digitalization

The increasingly digital world brings new and exciting opportunities, and we are already extensively using information technology in our business. We continue to accelerate our digital transformation to support the optimization of our base business through improved data analytics, drones, remote sensing technology and automation to help improve the safety, productivity, reliability and environmental performance of our operations. Our work in digital technology and advanced analytics is critically important and we see our increasing involvement in this space as a natural evolution for the business. Focus areas include:

- monitoring and data analytics
- remote sensing technologies
- real-time analytics to improve reliability, profitability and environmental performance
- robotic process automation.



Net-zero emissions company by 2050

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

92-99% water recycle rates at mining and in situ operations

10% reduction in fluid tailings inventories at Base Plant since 2010

2,850 cumulative hectares reclaimed since 1967

Environment



Suncor strives to be an industry leader in sustainable energy development through continuous improvements in emissions, water use, land reclamation and biodiversity performance.

- > Climate change
- > Air quality
- > Waste management
- > Spills and releases
- > Water stewardship
- > Tailings management
- > Land use and reclamation
- > Biodiversity

Climate change

Addressing climate change and providing the low-greenhouse-gas (GHG) energy the world needs requires investment, technological advancement, product innovation, regulatory support and collaborative partnerships.

A key objective of Suncor's strategy is to reduce the carbon footprint of our base business while investing in new low-GHG forms of energy, consumer products and services. We're working to reduce our emissions, and to help others reduce theirs, while satisfying growing energy needs. We have a strong foundation to build on and the expertise needed to become a net-zero GHG emissions company by 2050.

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 work to align with its recommendations. For more information visit our [2021 Climate Report](#).

To test and assess the resiliency of our business strategy against inherent uncertainty, we use three energy scenarios to 2050 and a 2°C scenario to 2100. All scenarios are developed using distinct, challenging, relevant and plausible world trajectories. This process continues to be a useful tool for planning and stress-testing our business on several key dimensions, and was fundamental in updating our strategy.

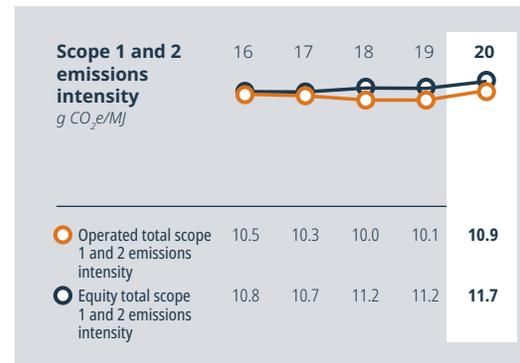
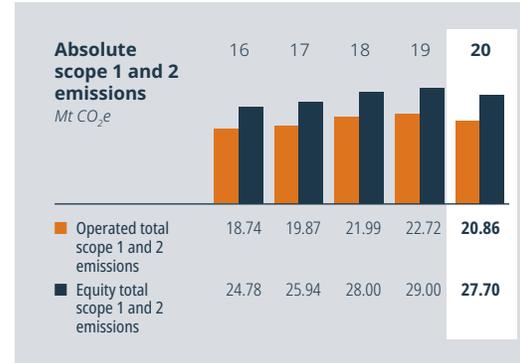
To become a net-zero GHG emissions company by 2050, we are focused on operational efficiency improvements and accelerating the adoption of new technology. As an interim measure, we have set a target to achieve 10 megatonnes (Mt) of annual emission reductions by 2030 across our value chain. Through our investments in low-carbon power, renewable fuels and electric charging stations, we have already helped our customers reduce their emissions by 3.5 Mt/yr and our new target commits us to going even further.

GHG performance

In 2020, our total absolute scope 1 and 2 GHG emissions were approximately 8% lower compared to 2019, primarily due to decreased production caused by lower demand resulting from the global pandemic, as well as unplanned incidents, maintenance and curtailment. While total absolute emissions decreased, emissions intensity increased because facilities were not operating at optimal rates. GHG emissions are closely linked to energy use, with approximately 90% of direct GHG emissions and nearly all indirect emissions accounted for by energy consumption for operations. Similar to the GHG intensity trends, energy intensity increased 8% in 2020. For the first time this year we are reporting GHG data on an operated and equity basis, and we will explore doing this for other metrics in the future.

We support the disclosure of scope 3 emissions to better understand how our business impacts emissions beyond our direct control. Scope 3 emissions are the emissions from products in our value chain, such as the goods we purchase and the combustion of fuel that we provide to consumers. Our 2021 Climate Report expands on our scope 3 disclosure, and for the first time, includes estimates on the emissions associated with the products we sell.

For more information and detailed performance data on how we're addressing climate change and our perspective on the energy future, please read our [2021 Climate Report](#).



For additional information about this chart and its data, please refer to performance data notes (#5,6 – notes on greenhouse gas and energy). To understand Suncor's reporting boundary, please see performance data notes (#2 – reporting boundary). To learn more about asset level GHG disclosure see the [2021 Climate Report](#).

Oil Sands Pathways to Net Zero

Suncor, Canadian Natural Resources, Cenovus Energy, Imperial and MEG Energy, representing approximately 90% of Canada's oil sands production, have established the Oil Sands Pathways to Net Zero alliance to work collectively with the federal and Alberta governments to achieve net zero greenhouse gas (GHG) emissions from oil sands operations by 2050. The initiative incorporates a number of parallel pathways to address GHG emissions including a carbon sequestration hub through a CO₂ trunkline in northern Alberta and deploying existing and emerging GHG reduction technologies.

Air quality

Suncor is committed to improving air quality and reducing air emissions near all our operations.

We're working to reduce air emissions from our operations, through operational excellence, project design and technology. Our focus for air quality management is centred on air emissions (pollutants) and odours. Management of air emissions is important for employees and contractors, the surrounding communities and the environment.

Compliance and monitoring

We participate in various provincial, state and regional emissions management framework programs. This includes programs to improve our air monitoring capability with the goal of reducing our air emissions over time. All of our operations have controls and procedures in place to manage emissions. We also support air quality monitoring and reporting through various airsheds and organizations, ensuring timely availability of information to the public and regulatory agencies in all operating areas.

Continuous improvement

We continue to test and pilot new technologies to grow our understanding of air emissions. We also have a number of initiatives at our refineries and operating sites to help reduce releases of key air pollutants. Examples of technologies and measures implemented include:

- low nitrogen oxides (NO_x) engines, boilers and heaters
- leak detection and repair programs to manage and reduce fugitive emissions on site
- VOC and total reduced sulphur (TRS) annual monitoring plan to reduce 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 emissions
- replacement of oil sands mining mobile equipment, such as dozers, excavators, etc., with equipment that has more efficient engines and lower NO_x emissions
- expansion of the use of hybrid solar and methanol fuel cells to provide power to remote systems in the mine, resulting in the decrease of diesel consumption in the generators.

Collaboration

We regularly engage with community stakeholders, government, and other external agencies to discuss odour management strategies and best practices, as well as organize meetings between industry and community members to discuss concerns. We also research and test new methods and technologies to monitor fugitive emissions. One way we do this is through Canada's Oil Sands Innovation Alliance (COSIA), which supports technology development and shared learnings with other member companies. Other external groups we partner and engage with include the Wood Buffalo Environmental Association, and the Fort McKay Air Quality and Odours Advisory Committee.

Oil Sands Monitoring Program

Suncor is an active member of the Oil Sands Monitoring Program since 2012. The mandate of this program is to "provide comprehensive environmental monitoring data and information to improve understanding of the long-term cumulative effects of oil sands development." As part of this program, monitoring is conducted through approved workplans across multiple areas of focus including air, water, wetlands and biodiversity.

Commerce City

Suncor is implementing an air monitoring program for Commerce City and the north Denver area. The program was borne out of community feedback and concerns over air quality in the region, as well as consultation with area residents and learnings from monitoring programs in other regions. It will be implemented by a third party.

"We want this information to be neutral, factual and trusted such that Suncor and the community can be informed and led by the data," says Donald Austin, Vice President, Commerce City Refinery.

Air quality

Air quality performance

Our key focus areas for air emissions monitoring and reductions include SO₂, NO_x and VOCs.

Sulphur dioxide (SO₂)

In 2020, absolute SO₂ emissions increased by 6% due to planned and unplanned maintenance activities at Base Plant. SO₂ emissions intensity also increased by 25%, compared to 2019, because of lower total production in 2020.

Nitrogen oxides (NO_x)

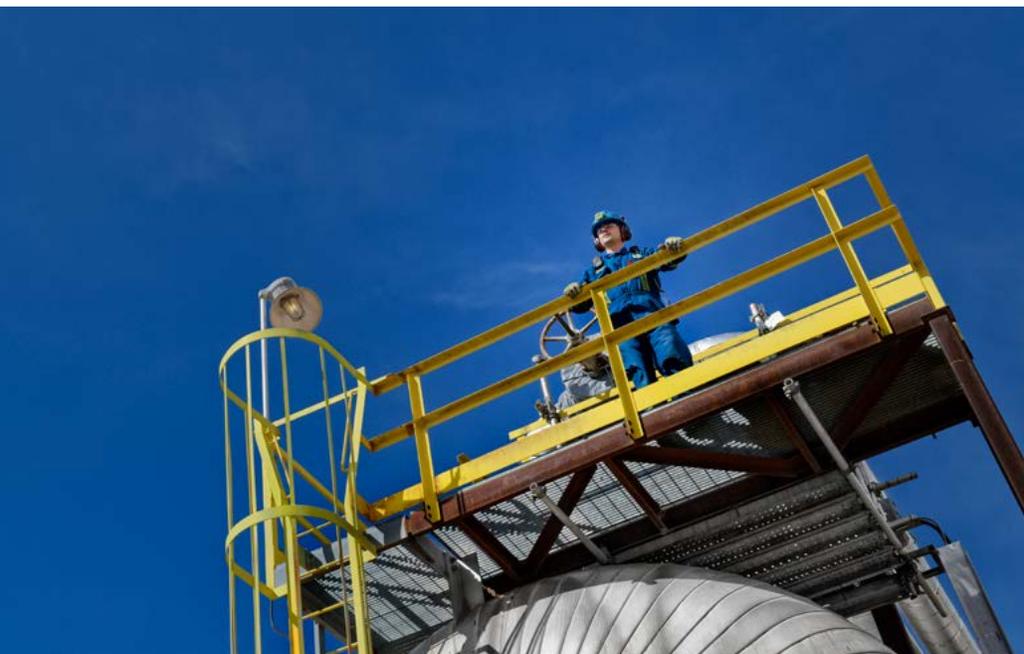
We saw a 13% decrease in absolute NO_x emissions in 2020. This was primarily due to Terra Nova suspended operations, reduced operating hours at Fort Hills, and less flaring at Base Plant. These reductions were offset to some extent by an increase of NO_x emissions at In Situ facilities. In 2020, the total NO_x emissions intensity was comparable to 2019.

Volatile organic compounds (VOC)

In 2020, VOC absolute emissions were consistent with 2019. The increase in emissions from Oil Sands and In Situ operations were offset by the decrease in emissions from the refineries, terminals, and suspended operations at Terra Nova in 2020. However, VOC emissions intensity increased by 21%, compared to 2019, because of lower production in 2020.

Digitization across our sites

Using real-time monitoring at our sites enables us to review performance indicators and calculations, understand performance gaps, and help our employees make decisions to improve energy intensity performance in real time. The results from process changes are seen instantly and easily measured and reported resulting in cost and emissions improvements.



For additional information about this chart and its data, please refer to performance data notes (#7 – notes on air emissions)

Waste management

Whether at our operational sites or office settings, we closely manage all kinds of waste, ensuring it's properly handled and disposed to protect the environment and our people.

We work with contractors, suppliers and waste receivers to improve waste management practices at our job sites across the company. 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.

Our activities involve handling large volumes of different types of waste, of which construction and contaminated water constitute the largest volumes. Our approach to waste management is to avoid, reduce, reuse, recycle and treat, and follow waste management systems that are in place.

Resource circularity

We are working to reduce waste and explore opportunities to integrate a circular approach in our operations and across our value chain. Resource circularity looks at repurposing the energy produced upon consumption, as well as addressing design efficiencies to reduce raw material consumption and waste. Moving toward a circular economy can be critical to supply chain security and environmental performance.

As an integrated energy company, we are looking at circular economy projects throughout our entire value chain, from raw materials to final products and services. While the bulk of the discussions around the circular economy focus on material recycling, Suncor plays an important role in Canada's efforts to manage the impacts associated with additional energy needs to support material circularity.

Waste performance

Waste volumes, hazardous and non-hazardous, depend on site activities, including periodic equipment maintenance, and may fluctuate annually. While hazardous waste decreased in 2020 compared to 2019, in 2020 there was an 11% increase in total waste volumes mainly due to unplanned maintenance activities at Firebag. For example, Firebag had a significant increase in non-hazardous waste due to cleanup efforts and disposal of contaminated soil. We also sent 82,000 tonnes of waste off-site for recycling, reuse and recovery due to waste improvement projects throughout our operations in 2020. Compared to 2019, in 2020 there was a reduction in on-site activity at the majority of our sites. This led to less waste being generated that could be recycled, reused or recovered.



For additional information about this chart and its data, please refer to performance data notes (#9 – notes on waste). In 2017, based on global reporting standards we recategorized our hazardous and non-hazardous waste streams.

Spills and releases

We design and operate our facilities to ensure controls are in place to prevent and manage spills and releases in our operations.

We work to prevent incidents from occurring by having:

- asset reliability and integrity monitoring programs
- preventive maintenance programs
- robust equipment inspection programs
- monitoring equipment to automatically detect events and stop releases
- secondary containment infrastructure to prevent releases from impacting sensitive environmental receptors
- capable and well-trained response teams who receive ongoing training and participate in regularly scheduled exercises, as well as agreements in place with spill response agencies
- rigorously controlled spill prevention processes and procedures, as well as emergency response plans that are reviewed annually
- equipment and technology designed for our different operating environments
- appropriately vetted contractors.

All these elements, combined with careful planning and risk assessment, reduce the probability that a spill or release will occur. If a spill or release does take place, mitigating and remedial actions are implemented immediately to minimize risk to the environment and people, as well as the chance of recurrence. The event is recorded and investigated to determine the root cause. We also share best practices and learnings to increase awareness and mitigate risks of future incidents.

Spill reporting and emergency response plans

We have systems in place to inspect and audit our facilities and have emergency response and spill reporting plans at all our locations, including upstream and offshore facilities, refineries and other downstream operations, distribution terminals and our network of service stations. In addition to our own internal

response capability, we are participating in a number of East and West Coast spill response organizations.

The size and complexity of our operations mean we must continuously improve our reporting practices and strengthen mitigation efforts to further reduce the number and volume of spills.

We complete emergency response drills and exercises across all our operations throughout the year.

Continually improving spill prevention and response capability

We are committed to continually improving our spill prevention and response capability — any incident is unacceptable. Our ongoing focus on asset reliability and monitoring has resulted in a significant decrease in unplanned releases. We're also improving and strengthening pipe inspection plans to provide up-to-date health monitoring of our pipe conditions and life cycles. As part of our emergency preparedness plans, we conduct regular tabletop and emergency response training exercises, including on-water training exercises. We invite regulatory agencies and oil-spill response organizations to participate in these preparedness exercises. We also work with other companies in the regions where we operate, to build capacity through shared knowledge, experience and resources.

Spills and releases performance

If an incident or non-compliance does occur, all events are recorded and investigated. In 2020 there were fewer environmental non-compliances than in the previous four years; however, the sum of fines paid in settlement of alleged air and water violations during 2020 was higher due to exceeding water and air requirements in our Refining and Logistics business (Commerce City and Sarnia refineries).

In 2020 Suncor reached a settlement agreement with the Colorado Department of Public Health and Environment (CDPHE) regarding air compliance issues during the 2017-2019 period. As part of that settlement, we engaged an independent, third-party expert to investigate the root cause of our past emissions exceedances and identify refinery improvement opportunities. Based on these recommendations, we developed an improvement plan that highlights what we have done so far and what we plan to do. It has two parts; implementation plan for actions required by the settlement agreement with CDPHE, and voluntary measures that are additional actions we are taking in response to the other recommendations. One of the actions is to invest \$12 million to upgrade automatic shutdown systems for our gasoline production units.

We are confident that this plan will improve our operations and enable us to more fully live our purpose to provide trusted energy that enhances people's lives while caring for each other and the Earth.

For further details about the CDPHE settlement, our improvement plans and engagement with the local community, go to suncor.com/Colorado

Water stewardship

We believe water is a shared and precious resource. It must be managed wisely using a balanced, integrated and sustainable approach.

Water is an essential part of Suncor's operations, so it's important we find ways to continuously improve our water use efficiency (including limiting water withdrawals and optimizing recycling) and safely release water from our operations. Recognizing our role in managing water responsibly, our water strategy principles focus on:

- **Shared value of water** – Understanding that water is a valuable natural resource that holds environmental, social, cultural and economic value.
- **Watershed management** – Understanding our water use in the context of the watershed where we operate, taking into consideration our values, and the perspectives of stakeholders and users in the watershed.
- **Reduce-Reuse-Release** – A truly sustainable integrated water management approach must simultaneously balance water reduce-reuse and release considerations.
- **Integrated options analysis** – Ensuring we balance the trade-offs inherent in managing water and understanding water as one aspect of an interconnected ecosystem.

Aligned with our water principles, our culture of operational discipline and continuous improvement guides how we manage our water use, reduce our impacts, and protect the environment.

Continuous improvement

Continuous improvement measures at our operations allow us to optimize water reduction and recycling opportunities and balance the net environmental impact and associated costs. For instance, water efficiency improvements allow Suncor to consistently use less than half of our annual water licence allotment from the Athabasca River. We also conduct and update our risk assessments annually through our enterprise risk management system for each operational asset to determine the highest-priority water issues and opportunities.

Compliance and monitoring programs

Suncor's internal issues management processes identify and help manage ecosystem, habitat and water-related risks and opportunities, including new or changing policies and regulations related to water. Our approvals require us to monitor and assess ecosystem impacts in the watersheds where we operate. We also participate in the Oil Sands Monitoring program along with Indigenous communities, stakeholders and environmental agencies. The program conducts monitoring in the oil sands region of Alberta. Its purpose is to track environmental impacts, and to assess cumulative environmental effects from oil sands development.

Collaboration

Through discussions with Indigenous communities and stakeholders, we collaborate regularly on water-related issues and opportunities. We engage with local communities during the development of our water management plans and as projects progress.

Suncor is also a member of the Athabasca Watershed Council (AWC) — a planning and advisory council that evaluates changes to the Athabasca watershed over time and advises on potential policy and management actions. The AWC is working on an Integrated Watershed Management Plan which will provide information, guidance and recommendations to the decision-making authorities, municipalities, Indigenous partners, natural resource managers, industries, academia, users, and residents regarding the Athabasca River watershed. In conjunction with Alberta's Water for Life Strategy (2003), it addresses the complexity of watershed management issues that transcend landscapes, ecosystems, jurisdictions, and water users in the Athabasca watershed.

We're working with government, local communities and stakeholders to develop the policy and regulatory framework to safely treat and release mine water from our oil sands sites. Integrated water management across the Regional Municipality of Wood Buffalo is key for oil sands water management and we are taking a collaborative approach to this work. We believe water release is part of managing water responsibly and is critical to achieving successful operations and progressive reclamation and closure.

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, since 2010, we have reduced fluid tailings inventories by greater than 10% at Base Plant. As we advance this work, we're sharing best practices and lessons learned with our industry peers, through Canada's Oil Sands Innovation Alliance.

Water performance

In 2020, we saw improved water efficiency (decrease in consumption and increased recycle rates) at Base Plant; decreased water use at our in situ sites and Fort Hills due to reduced production; no water use at Terra Nova due to suspended operations; and increased water consumption in Refining and Logistics. Our absolute freshwater consumption decreased by 40% and freshwater consumption intensity decreased by approximately 29% compared to 2019 performance.

Mining

Base Plant

In 2020, relatively consistent production at Base Plant and increased precipitation in the region enabled us to decrease river water intake and increase recycle rates on site. We continue to optimize wastewater recycle rates to decrease freshwater withdrawal from the Athabasca River.

Fort Hills

Throughout 2018 and 2019, Fort Hills freshwater consumption and consumption intensity were relatively high as production ramped up and the site built up its water inventory. In 2020, absolute freshwater consumption decreased by 65% due to a significant decrease in production, increased precipitation in the region, and the site meeting adequate water inventories. As we better understand our operational water use and efficiency at Fort Hills, we will continue to explore opportunities to reduce water use.

In Situ

Firebag

Relatively consistent operations and increased site water efficiency at Firebag in 2020 led to decreased freshwater consumption. Firebag uses recycled wastewater from our oil sands upgrading and utilities operations, surface runoff water collected within the facility boundary and from groundwater wells. As a result, approximately 94.5% of the water used at the site is recycled.

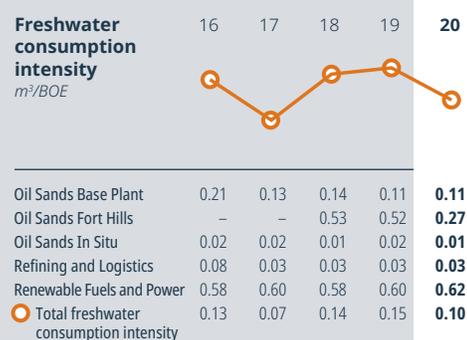
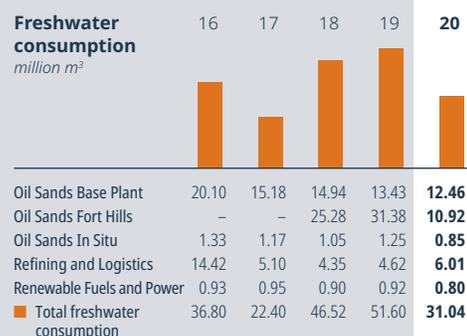
Mackay River

Mackay River was offline from January to April 2020 due to an unexpected operational incident. Once back online, freshwater consumption increased compared to previous years, due to site ramp-up requirements. Mackay River had a 98.5% water recycle rate, with the small amount of make-up water required coming from groundwater.

SolarPass

Suncor is working with H2nanO, a Canadian industrial wastewater treatment company, on a technology called SolarPass to treat process-affected water. SolarPass uses sunlight-activated particles in the water that treat hard-to-break-down organic contaminants and volatile emissions. In 2020, Suncor and H2nanO successfully completed a series of laboratory demonstrations that resulted in reduced emissions and organic contaminants in the water. Work is ongoing to test at a larger scale and for long-term reliability.

Approximately 92% of the water used by our mining and extraction operations (Base Plant and Fort Hills) in 2020 was recycled water. To support successful reclamation and closure landscapes, our focus will need to include water release.



For additional information about this chart and its data, please refer to performance data notes (#8 – notes on water)

Water stewardship

Refining and Logistics

Our refineries use fresh water for heating and cooling. In 2020, water consumption increased due to low precipitation rates in Montreal, Sarnia and Commerce City; decreased efficiency on site; and more accurate water accounting. We continue to explore and implement local initiatives that will result in more efficient water use.

Edmonton Refinery

The Edmonton Refinery water use over time has remained relatively flat. We are always looking for ways to limit the amount of water we use, including the amount of fresh water directly withdrawn from the North Saskatchewan River. In 2020, approximately 42% of the total water used was from recycled wastewater supplied from the Gold Bar Wastewater Treatment Plant in Edmonton.

Montreal Refinery

In 2020, the Montreal Refinery experienced decreased production and lower precipitation which led to slightly higher absolute water consumption and water consumption intensity. To determine the best options for process improvement at the site's water treatment plant, extensive testing and analysis took place in 2017. This work has led to more stable performance of the water treatment system, resulting in higher-quality water returned.

Commerce City Refinery

In 2020, absolute water consumption was comparable to 2019 performance; however, water consumption intensity at the Commerce City Refinery increased due to a significant reduction in production and lower precipitation compared to 2019. Our Commerce City Refinery operates in a region that is classified as moderate risk (medium-high stress)*, where curtailment of water supply would require bringing in water by pipeline or truck. Water

management is a priority at Suncor. We continue to monitor the status of the basin while focusing on implementing industry-leading innovation at our facilities to reduce, recycle, reuse and return water. One way we manage water at the refinery is by upgrading and maintaining the existing wastewater treatment facility which was one of the first in North America to use membrane ultrafiltration in treating refinery wastewater streams. Work is also currently underway to evaluate technologies to remove impurities in the wastewater streams.

Sarnia Refinery

The Sarnia Refinery uses water from the St. Clair River as part of our onsite cooling process. In 2020, site water use remained comparable to 2019 performance. We continue to focus on water quality and quantity that meets all regulatory requirements. Notably in 2020, we were able to dredge a discharge water retention pond and recover the water to treat and release it safely.

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, N.L. On an annual basis, a cross-functional East Coast team reviews the produced water performance and evaluates options for chemical minimization and substitution where feasible. This helps to ensure effective operation of the produced water system, the floating production storage and offloading (FPSO) vessel, and reservoir integrity. The Terra Nova FPSO has been shut in since the end of 2019. In 2021, co-owners have reached an agreement in principle to restructure the project ownership and provide short-term funding toward continuing the development of the Asset Life Extension Project, with the intent to move to a sanction decision in fall 2021.



* According to the World Resources Institute's Aqueduct Water Risk Atlas, the watershed where the refinery operates is classified as a medium-high stress area.

Tailings management

Tailings reclamation requires continuous learning, collaboration and innovation.

We are committed to using world-leading practices to manage and reduce tailings and we are now treating more tailings than we produce at Base Plant through our TRO™ tailings management approach and implementation of the permanent aquatic storage structure (PASS) treatment process. In addition, we have reduced the total number of active tailings ponds. We're working to treat and dewater fluid tailings to support reclamation plans and biodiversity in the areas where we operate.

Our tailings technology improvements focus on fluid tailings. Although sand separates quickly from the tailings, smaller particles of clay and silt remain suspended in water and form fluid tailings, which in the past could take decades to separate. Over 90% of the tailings form coarse tailings deposits that are used to backfill the mine and for construction purposes (e.g., tailings dams) and require no treatment before reclamation. The remaining 10% is fluid tailings which are treated to separate the suspended clay and silt from the water enabling future reclamation into a healthy landscape. Finding ways to treat fluid tailings quickly and cost-effectively is critical to improving our overall reclamation performance.

We manage tailings stability risk through our Tailings Facility Management System (TFMS). TFMS is a well-established process which is a supporting element of Suncor's overall Operational Excellence Management System (OEMS). Suncor's tailings management system emphasizes:

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

Regulatory requirements

The current [Tailings Management Framework \(TMF\)](#) was developed by Alberta Environment and Parks under the Lower Athabasca Regional Plan. 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 fluid tailings treatment and progressive reclamation during the life of a project.

Suncor enhanced its management plans and tailings management approach to meet the requirements of the TMF. 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 \(COSIA\)](#).

Tailings standards and guidelines

In 2020, the [Global Industry Standard on Tailings Management](#) was released. Suncor follows the Mining Association of Canada's Towards Sustainable Mining program guidelines and is reviewing the Global Standard against our current practices.

Dam safety

In 2020, a new Alberta Dam & Canal Safety Directive requirement was implemented, requiring operators to test dam breach emergency preparedness with external stakeholders; these tests were previously conducted only internally. Rather than each operator conducting separate tests with the same stakeholders, the Alberta Energy Regulator granted permission to have the tests done at a regional level, allowing operators to sequence the tests and learn from one another. The first test took place in November 2020 as part of a regional test with the Regional Municipality of Wood Buffalo's Regional Emergency Operations Centre. These industry regional tests will now continue as annual events. Suncor will be conducting our first regional test with external stakeholders in the fall of 2022.

Tailings management

Dam integrity

We take tailings dam safety seriously and have been implementing a robust dam safety program since we began operations in the Athabasca oil sands in the late 1960s. Our dam safety program protects the integrity of tailings dam structures through extensive checks and balances for design, construction and monitoring, including 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 that establishes requirements for industry-leading practices for dam safety management. Our dam safety program is world-class and consistent with the updated requirements in the Directive.

Our tailings management and dam safety practices continuously 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, and work in collaboration with internationally experienced design consultants, referred to as geotechnical designers of record.

Additionally, an independent external review board called the Mine Development and Reclamation Review Board reviews and critiques ongoing design, construction and operation of our tailings facilities several times a year.

More information is available in Suncor's response to the Investor Mining and Tailings Safety Initiative.

Engagement

Suncor works with and routinely engages with Indigenous communities and stakeholders to review our approach and share reclamation tailings progress and challenges. We also incorporate feedback into future engagement plans to enhance information sharing. In November 2020, we held our annual Tailings Sharing Session, providing communities the opportunity to offer feedback on our approach to tailings management. Following a request for more information about water intakes and outfalls along the Lower Athabasca River, in 2020, we compiled an overview of water systems in the region and shared this information with communities. We continue to share our learnings with other operators through organizations like COSIA. Through knowledge sharing, we're continuously improving tailings management.



Tailings management

Tailings performance

As our mining operations have expanded, the volume of fluid tailings has increased. However, with Base Plant's implementation of TRO™ in 2010 and the PASS fluid tailings treatment process, fluid tailings volumes have begun to reduce. From 2010 to 2020, Base Plant alone treated approximately 130 million cubic metres (Mm³) of fluid tailings, leading to an overall inventory reduction of more than 10%. Base Plant fluid tailings inventories peaked in 2010; total inventories are shrinking and we are ahead of regulatory requirements. Base Plant currently has about 273 Mm³ of untreated fluid tailings. In 2020, PASS treated approximately 25 Mm³ of fluid tailings. The treatment is progressing and the high-quality water demonstrates that we are on track to support accelerated reclamation. We are leveraging learnings of PASS at Fort Hills and we expect to have a smaller fluid tailings inventory due to early implementation.

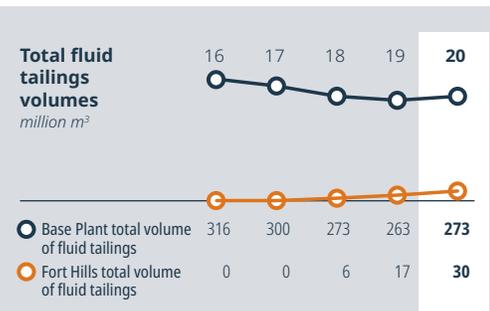
PASS allows us to treat more tailings than we produce; however, the process frees up water from the tailings that requires storage at Base Plant. We must also manage annual precipitation events within our existing storage volumes. For example, heavy rainfall in the Regional Municipality of Wood Buffalo in 2020 led to increased water in storage facilities. Without effluent regulations allowing for the release of treated mine water within set limits, as we approach end of mine life, any additional water being added to Base Plant's onsite inventory continues to be a concern. Despite the increase in stored water, we continue to focus on progressive reclamation and progress toward mine closure by reducing the number of active tailings ponds at Base Plant in a safe and environmentally responsible way. Over the last 10 years, one pond has been surface reclaimed and two more are advancing to closure; one of those ponds is currently being drained and we anticipate it being removed from the landscape this decade.

Tailings ponds	2010		2020	
	Base Mine	Fort Hills	Base Mine	Fort Hills
Active	7	0	6	1
Inactive	1	0	3	0
Advancing to closure	1	0	2	0
Surface reclaimed	1	0	1	0

For additional information about this chart and its data, please refer to performance data notes (#10 – notes on tailings)

PASS (Permanent Aquatic Storage Structure)

Built upon the processes used in our TRO™ tailings management approach, Suncor developed PASS, a fluid tailings treatment process, to significantly increase the amount of fluid tailings we can treat in a more sustainable manner. PASS combines knowledge from the TRO™ process with the addition of a coagulant to improve the quality of the water extracted from the treated fluid tailings. The treatment process rapidly frees up water from the fluid tailings as the clay particles adhere to the flocculant, safely expressing most of the trapped water. It also provides an effective means for creating a lake that achieves our closure plan in an accelerated timeline.



For additional information about this chart and its data, please refer to performance data notes (#10 – notes on tailings)

Land use and reclamation

Energy development disturbs land. We work to mitigate this by developing detailed reclamation plans that consider the impacts of our operations and embed learnings from local Indigenous Peoples and community stakeholders.

Our work focuses on reducing the size and duration of the land we disturb, facilitating the return of a biologically diverse landscape and naturally sustainable ecosystems. To do this, we are:

- reducing the impact of our operations through scientific research and best management practices, and collaborating with neighbouring companies to reduce cumulative effects of development
- accelerating the pace of reclamation of disturbed lands through progressive reclamation opportunities
- working with industry peers and multi-stakeholder organizations on initiatives to conserve and reclaim habitat for birds, mammals, fish and other species
- adopting traditional knowledge from Indigenous Peoples.

Our approach

End land use, which is how the land will be used following closure and reclamation, is an important consideration throughout the life cycle of a project, from initial planning through to final reclamation. This includes considerations such as planting specific plant species, and when and where to plant.

Before developing a new mine or in situ project, we develop plans that outline the life of the project and closure activity, including reclamation. Plans are updated regularly throughout the project and incorporate project changes, new learnings and technologies as they are developed.

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

Reclamation performance

Mining

Since Suncor began Base Plant operations in 1967, the project has disturbed 22,276 hectares (ha) of land. As of 2020, we have reclaimed approximately 11% of the total land disturbance, bringing our cumulative total to 2,444 ha.

We planted approximately 110,500 tree and shrub seedlings in reclamation areas in 2020 at Base Plant, bringing the total cumulative seedlings planted to close to nine million. With Base Plant anticipated to reach end of mine life in the middle of the next decade, we are working through detailed plans for closure and reclamation of the site as well as engagement with local Indigenous communities.

Our Fort Hills site started production in 2018 and the project has disturbed 10,835 ha of land. We have already reclaimed a cumulative total of 370 ha within two years of operations.



Lake Miwasin

Lake Miwasin, located on our Base Plant site, is an 18 ha reclamation research area. The project represents a scaled version of the reclamation and closure plan for Base Plant, including uplands, wetlands and a demonstration pit lake (Lake Miwasin) that contains PASS-treated fluid tailings. To date, Lake Miwasin is progressing well in terms of water quality and plant and wildlife in the area. Throughout the Lake Miwasin project, local Indigenous communities have collaborated with us on the research and monitoring.

We've planted close to **nine million seedlings** at our Base Plant site.

Land use and reclamation

In Situ

Our Firebag and MacKay River in situ sites have been in operation since 2004 and 2002 respectively. Since then, approximately 15 ha of land have met the requirements for permanent reclamation and have been certified and returned to the Government of Alberta (GOA). In 2020, we submitted two applications to the AER for reclamation certificates for borrow pits* relating to our Firebag site. The final steps with the GOA are planned for the summer of 2021 and once approved, the land will be returned to the Crown.

We continue to meet all regulatory requirements; however, funding and COVID-19 pandemic travel restrictions did impact our 2020 reclamation work and ability to plant seedlings at two borrow pits at our Firebag site. To preserve quality, the seedlings were frozen and will be planted in 2021. The seedlings were selected based on GOA guidelines developed through the Cumulative Environmental Management Association with input from local Indigenous communities.

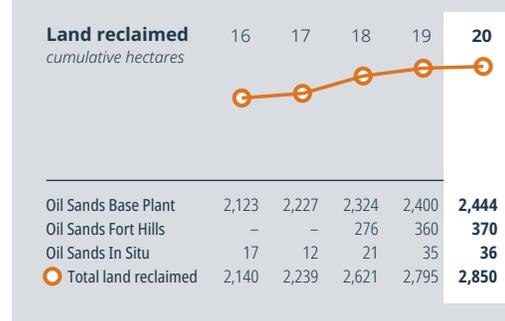
Monitoring

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.

At our in situ sites, reclaimed terrestrial, wetland and aquatic areas are monitored according to site-specific reclamation monitoring plans that track biodiversity while vegetation regrows and ecosystems develop. Through monitoring, we collect information on soil, vegetation, and water quality, which is used 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 wildlife mitigation and monitoring programs.

One way we assess biodiversity at our mining operations is through a program called Early Successional Wildlife Dynamics (ESWD). This multi-year program, conducted in collaboration with COSIA member companies, applies the same monitoring methods across each of our company sites, including the use of cameras and recording devices to assess the return and re-establishment of wildlife on reclamation areas. Using the same methods at each site creates data sets that can be compared across sites to get a regional view.

Due to COVID-19 pandemic restrictions, wildlife sampling in 2020 in northern Alberta was limited. However, remotely triggered wildlife cameras continued to operate and in 2020 a total of 27 wildlife species were recorded at Base Plant and Fort Hills — 18 of those species recorded in reclaimed habitats. For our in situ sites, remote cameras at Firebag recorded 13 wildlife species, and acoustic recording units recorded 26 bird species. At MacKay River, cameras recorded 15 wildlife species.



For additional information about this chart and its data, please refer to performance data notes (#10 – notes on land disturbance and reclamation)



* A borrow pit is where the natural source of clay, silt or sand is extracted for the construction of well pads, roads and central processing facilities.

Biodiversity

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



Our operations are located in diverse landscapes that are home to a variety of plants and animals.

Our approach

Guided by a mitigation hierarchy, a tool that helps manage biodiversity risk, we seek to avoid, minimize, restore and/or offset impacts to biodiversity from our operations. We do this by:

- using land use and management planning processes to identify where disturbances can be avoided throughout our projects
- minimizing disturbances to the extent possible while considering multiple factors, including safety, operations and the environment
- working internally, and with industry peers and with multi-stakeholder organizations to conserve, restore and reclaim habitat for birds, mammals, fish and other species, including species at risk such as caribou.

To protect both our people and wildlife that use our sites and nearby associated areas, our internal wildlife standard describes the responsibilities of all employees and contractors working on our sites. We also have an internal wildlife committee where representatives from each of our sites come together to discuss wildlife practices.

We use scientific research and best management practices to reduce the impact of our operations and progress reclamation. 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 Program and Canada's Oil Sands Innovation Alliance (COSIA) to:

- mitigate and monitor the impacts of our operations
- reduce the cumulative effects of industrial development
- address regional biodiversity risk.

Caribou recovery and conservation

It's important to partner with organizations that support conservation and biodiversity. In the case of boreal woodland caribou, complex combinations of natural and human-caused factors have created landscape changes and indirectly increased predation, resulting in declining caribou populations. As an operator in the region, we must contribute to caribou recovery and conservation while mitigating our impacts on them.

As a member of COSIA's Regional Industry Caribou Collaboration joint industry project, we're working with academia, the Government of Alberta and the ABMI Caribou Monitoring Unit to coordinate restoration in priority areas, find new ways to improve our understanding of biodiversity, and restore habitat throughout northeast Alberta. These efforts all play a role in caribou recovery.

In 2020, Suncor team members co-chaired a COSIA workshop to look for solutions to reduce, or eliminate, the footprint associated with seismic testing caused by industry development. This work supports woodland caribou and forest conservation.

Land conservation

For nearly 20 years, we have partnered with the Alberta Conservation Association (ACA) through the Boreal Habitat Conservation Initiative to secure areas of intact boreal forest and wetlands that preserve biodiversity, by ensuring the components of the larger boreal forest ecosystem remain undisturbed.

Through our work with ACA, we have secured more than 4,000 hectares of ecologically sensitive land across 43 different conservation sites in Alberta as voluntary offsets. Due to market conditions in 2020, we were not able to secure additional land; however, we remain engaged and maintain our relationship with ACA.



A continued focus on
safety and mental health

Introducing the
Journey of Reconciliation

\$36 million
in community investments

24%
female representation

Social



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.

- > Personal and process safety
- > Health and wellness
- > Workforce
- > Inclusion and diversity
- > Indigenous relations
- > Community investment
- > Human rights

Personal and process safety

When it comes to safety, there can be no compromise. Our focus remains on safety above all else.

Our Environment, Health and Safety (EH&S) and Enterprise Technical teams provide standards, processes and systems to help ensure EH&S compliance and stewardship at all our sites across Suncor. In addition to measures that make Suncor a safe physical working environment, we are also working to ensure all employees and contractors, regardless of role or title, feel psychologically safe to speak up if they don't feel safe or if they see an unsafe practice.

Despite the processes and systems we have in place, we had three contractor fatalities at our sites — two at the end of 2020, and one at the start of 2021. These losses are tragic and unacceptable, and it's clear more work needs to be done. On Dec. 28, 2020, two individuals were fatally injured in a vehicle incident during a routine shift change at our Fort Hills site. On Jan. 13, 2021, another tragic incident occurred with one individual when the dozer they were operating fell through ice at our Base Plant site. Our hearts go out to the individuals' families, friends and co-workers. We have undertaken thorough investigations and are implementing actions to prevent such incidents in the future. To assist in our investigations, we involved third-party experts in mining and oil sands, and safety experts in fatality prevention. This external team identified areas where we can improve our safety management system to help prevent fatalities and significant incidents. Moving forward we will:

- focus on incident prevention, as well as incident recovery
- improve how our people work within the Operational Excellence Management System
- enhance how we identify and evaluate risks, even for routine tasks
- learn as work happens, not just following an incident or near-miss
- continue building trust within our workforce and engaging people on the frontline.

These incidents are a stark reminder of the importance of our value of safety above all else, and it is our collective responsibility to prevent serious injuries or fatalities from ever occurring on our sites.

Personal safety

We have standards, processes, systems and programs to manage safe work and engage our employees and contractors in safety, all with the goal of ensuring safe work and eliminating serious injuries and fatalities in the workplace. One example is the Serious Injury and Fatality (SIF) program. This best practice program was established in 2016 to emphasize the value of reporting, investigating and managing potential SIF incidents and to encourage learning and improved safety performance across our operations. The evolution of our SIF guidelines and targeted safety initiatives has allowed us to make significant progress in identifying and reducing SIF incident risks. We are leveraging the Operational Excellence Management System, as our safety management system, to manage SIF precursors* and ensure controls are in place to prevent such incidents.

In 2020, we updated the Life Saving Rules across the company as a foundational control to help further protect employees and contractors from harm, and not only reduce the likelihood of injuries, but also save lives. The [10 Life Saving Rules](#) we follow align with the International Association of Oil & Gas Producers and Energy Safety Canada.

We see safety as having effective controls in place that protect workers from unplanned events and engaging with our employees and contractors in safe work practices.

The [10 Life Saving Rules](#) highlight simple actions individuals can take to protect themselves and others



* SIF precursors are hazardous situations in which management controls are either absent, ineffective, or not complied with, and which could reasonably (worst credible scenario) result in a serious injury or fatality if allowed to continue.

Personal and process safety

Emergency management

Effective emergency management is integral to protecting workers, the environment and our operations. Across the company, we follow an emergency management system that follows the principles of the international Incident Command System. This system provides a standardized enterprise-wide approach to improve effectiveness and efficiency to respond to an incident, as well as aligns to our governments, regulators and peers — we followed this system to quickly respond to COVID-19 threats to our people and our operations.

In the event of an incident, we respond promptly in a manner that protects the health and safety of our personnel and the public, and minimizes impact on the environment. All our operating sites follow a schedule of tabletop and field-based emergency drills.

Process safety and reliability

In August 2020, we experienced a fire at our Base Plant operations in the secondary extraction area where bitumen froth is processed before it moves to upgrading. This was a significant safety incident and we initiated a full investigation into its cause, including bringing in third-party experts and benchmarking peers. As a result, we are enhancing our operational risk management systems and consolidating a number of separate operational disciplines into one function. This will enable us to better prioritize risks and focus critical technical resources on operational risk and performance. It will also enable us to improve foundational elements such as establishing rigorous risk frameworks and learning from incidents.

We are also seeing progress in process safety. Our ongoing focus on asset reliability and monitoring has resulted in a decrease in unplanned releases, with loss of primary containment events continuing to trend down year-over-year. We're also improving and strengthening 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 that we continue to operate with an eye on safety above all else.

Strides are also being made in our application of critical process safety programs. This includes the identification of instrumented safeguards; the implementation and stewardship of maintenance programs to achieve the required level of risk mitigation; and how we monitor and report on impacts to our operating parameters. Our ongoing focus on process hazard analysis and management of change ensures that we keep an objective eye on reducing risks in our operating areas. Work to become digitally enabled has driven new and exciting opportunities for asset management systems that allow us to improve process safety and reliability, while also driving down costs.

Operation controls

We're identifying and capitalizing on more opportunities for regional and enterprise-wide safe work practices and procedures. We're also evaluating technology enablement opportunities related to operational controls, such as electronic permitting systems at our sites. The front-line work force is engaged in creating these new systems as we seek additional opportunities for standardizing how we work.

We are also enhancing incident investigation training to embed learnings in our work practices and implement mitigating actions. Audits and management reviews are in place to ensure our practices are effective and prevent the reoccurrence of similar incidents.

Safety and Productivity Solution (SPS)

Through the SPS initiative, Suncor has implemented a digital solution to enhance safety and productivity using wireless technology. The solution provides near-real-time gas detection and emergency assistance alerts to a monitoring system to ensure faster response time in emergency situations. By understanding alarm and location data, we can improve the site conditions and processes to reduce gas exposures in those areas for a safer work environment. Suncor also uses device geolocation and the resulting anonymized data in an analytics tool to measure and drive improved maintenance effectiveness.



Digital Control of Work

Through the Digital Control of Work initiative, Suncor is implementing a digital tool to manage all control-of-work processes at operating facilities across the company. The tool helps deliver new enterprise-standard processes and enables continuous improvement through information sharing across all sites to improve field worker safety and hazard and control management.

Personal and process safety

Health and safety performance

In 2020, the world was hit by the COVID-19 pandemic. Our first priority was the health and safety of our people and communities. We continued to focus on metrics, both leading and lagging indicators, to make the best-informed decisions, while managing our COVID response to keep people safe. At the same time, we continued to focus our safety efforts on:

- personal and process safety leadership across the organization
- effective corrective actions
- ensuring we apply lessons learned.

Our safety performance in 2020 reflects the impacts of our pandemic response measures. With certain projects being cancelled or deferred due to the impact of the pandemic, and only essential workers at our operational sites and office environments, we minimized the exposure to potential hazards and reduced the opportunity for injury.

Lost Time Injury Frequency (LTIF)

Our combined employee and contractor LTIF for 2020 was consistent with our 2019 performance. We recognize work still needs to be done when colleagues don't make it home safely at the end of the day, including the tragic fatalities.

Serious Injury and Fatality (SIF)

SIF prevention is a strategy focused on eliminating fatalities and serious injuries at the worksite. The goal is to bring increased visibility to SIF exposures, allowing the organization to identify and address their precursors. In 2020, we had a total of one SIF actual* (involving two fatalities) incident at Suncor. We must continue emphasising the value of reporting, investigating, and managing these incidents to encourage learning and improve safety performance across our operations.

Process safety Tier 1 and 2 loss of primary containment events

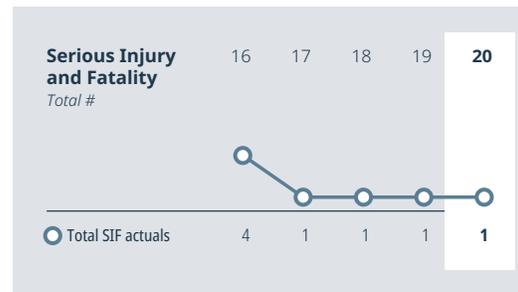
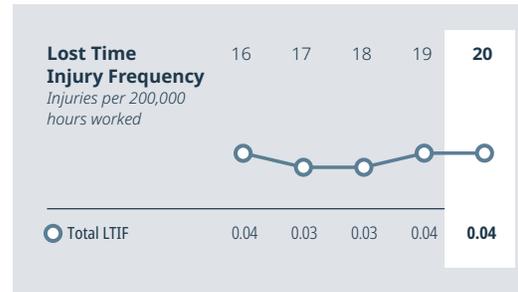
We have seen Tier 1 and Tier 2 process safety events declining from 87 events in 2016 to 38 events in 2020, demonstrating that we're learning from our incidents and viewing process safety as an area for continuous improvement.

COVID protocols

As the COVID-19 pandemic spread globally, we acted quickly and implemented protocols to keep our people safe and help stop the spread. New measures and processes include increased sanitization, physical distancing, increased personal protective equipment (masks) and protocols for managing on-site symptomatic workers. These measures vary by site due to the nature of the workplace. New processes also applied to office-based workers globally, including work-from-home measures that aligned with local jurisdiction guidelines. In 2021, rapid testing and voluntary vaccination clinics were also implemented at select sites.

* SIF actual includes 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).



For additional information about this chart and its data, please refer to performance data notes (#12 – notes on health and safety)



The first Suncor employee to receive a vaccine at the Base Plant clinic.

Health and wellness

The well-being of our people is of the utmost importance. We strive to foster 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.

Our commitment

The economic and social challenges our industry has faced combined with the stress and uncertainty of the COVID-19 pandemic have impacted us all. We continue to evaluate the needs of our team and to provide support to focus on overall well-being, including psychological wellness. We recognize that foundational safety principles, such as mind on task, can only be achieved when we are healthy and well, both physically and mentally. By supporting our people, we strive to foster a resilient and thriving workplace.

Psychological/mental well-being

Indicators of psychological well-being include a person's level of happiness, life satisfaction, contribution, and positive mental health, and these are critical components of being fit for duty. It's important that our people feel psychologically safe in the workplace. 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 increase incident rates.

A holistic approach to wellness

Well-being isn't one-dimensional. We're taking a holistic approach to wellness by understanding social, psychological, financial, and physical impacts on well-being and how interdependent they are to overall health. Every Friday, we host interactive webinars with subject matter experts to discuss how to better manage day-to-day health and well-being. Topics vary from meditation to ergonomics and people are encouraged to provide feedback on future topics.

In recent years, Suncor has taken a more formalized approach to managing mental health across the company, including having a mental health specialist on the team. To help people prioritize their mental health and ensure they focus on personal safety, we provide various resources year-round to help during times of uncertainty or stress. Our training programs and resources aim to promote a psychologically safe environment and break the stigma around mental health issues. One example is the Mindfulness online program we launched in 2020 in partnership with the YWCA.

The program provides 10 modules relating to mental health and are designed to help people focus attention, emotions and sensations in the present, while creating a psychologically safe and inclusive space for all. The program is also available to employees' families, and to contractors.

Support for people

The physical and mental health well-being of our people and their families is important to Suncor. We offer a global Employee and Family Assistance Program (EFAP), accessible 24 hours a day, and includes clinical counselling, work-health-life services, and professional advice. Counselling services are available in multiple languages and in eight formats. In 2020, we increased the number of EFAP counselling sessions for each employee from four to 12 and made EFAP available to contractors.

EFAP offers three categories of service to support well-being holistically

Clinical counselling

- Personal/emotional issues
- Family
- Couple/relationships
- Work related
- Addiction related

Work-health-life

- Nutrition
- Naturopathic
- Health and fitness coaching
- Family support services

Professional advice

- Legal
- Financial
- Career

Workforce

An engaged workforce is key to our success.

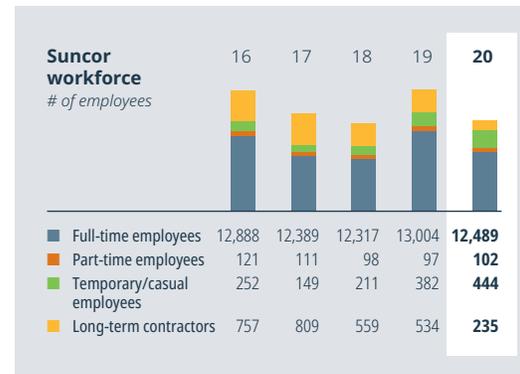


We can't achieve our purpose without caring for our people, at all levels of the organization, so we are working to create a more engaging and productive workplace. This includes evolving our culture to be more people-focused and resilient. In 2020, we conducted a baseline Trust Index survey, identifying our first priorities in a multi-year culture transformation. Our goal is to create a place where everyone can feel safe, included, inspired, trusted, respected and supported so we all can be and bring our absolute best.

Recruitment, development and retention

While working to recruit, develop and retain our team, we're also planning for future workforce needs.

We use an integrated workforce planning process to identify the skills and capabilities we need 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. One way we help build the skills and knowledge needed for careers in trades and operations is by supporting community partners and post-secondary institutions that offer training for our workforce. Examples of the various employment initiatives we support include Women Building Futures and CAREERS: The Next Generation. We also offer opportunities to students through internships, co-op terms and the Indigenous Student Program.



For additional information about this chart and its data, please refer to performance data notes (#13 – notes on workforce).

Workforce

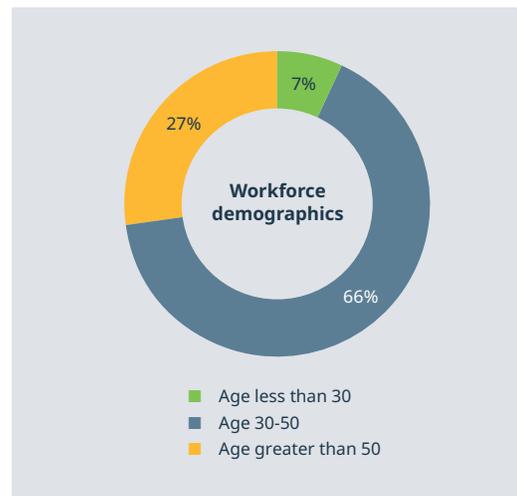
We monitor economic conditions to understand the labour market. Our industry has been impacted by the economic downturn, and in 2020 we announced that we would be reducing the size of our workforce across the company as we implement processes to improve effectiveness and efficiencies, and improve our cost structure. These plans were already underway; however, the economic challenges of our industry and the impacts of the global COVID-19 pandemic accelerated some of this work. We're committed to supporting a workforce of the future, including re-skilling employees as part of employee and leader development.

Training and rewards

We offer ongoing instructor- and self-led training on a wide-variety of topics driven by our value of life-long learning. This includes training specific to a role to support company-wide programs and for personal development.

Being purpose driven and a leading energy company are key elements of our 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. It takes great people to make a great company, and we value people's contributions and hard work. 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 quality of life for employees and their families, such as time-off programs, employee and family assistance, scholarships for dependent children, and volunteer programs. During the COVID-19 pandemic, Suncor introduced enhanced leaves and flexible work arrangements to support employees and their families.



For additional information about this chart and its data, please refer to performance data notes (#13 – notes on workforce).

Suncor is proud to be recognized once again as:



Inclusion and diversity

We want Suncor to be a great place to work for everyone.



We're working to create an inclusive and diverse work environment where everyone feels respected, trusted, safe, supported and their opinions are valued. This aligns with our purpose of caring for each other; it's a central principle in our culture, and foundational to many of our commitments, policies, programs and resources.

To create a respectful and inclusive workplace, our workforce should reflect our communities and enable employees to bring their best selves to work every day. Suncor's inclusion and diversity (I&D) strategy includes initiatives and actions in five focus areas:

- leadership
- processes, policies and programs
- understanding and skill development
- employee involvement
- community and industry partnerships.

Leadership

Suncor's leadership is committed to learning about and applying inclusive behaviours, guided by our Board of Directors' diversity policy and our company-wide goals as set by our CEO. Our I&D Council is made up of Suncor senior leaders and leads our I&D strategy. I&D Council members work with their leadership teams to set goals, strategies and action plans for their respective business areas to address barriers to an inclusive, fair and respectful workplace; foster opportunities to learn and change; and hold each other accountable by setting expectations for leaders.

As part of our effort to unleash the full potential of our team, we are working toward Great Place to Work® certification, a measure of a more inclusive, trust-based company. In 2020, employees participated in our first Great Place to Work Trust Index® Survey and despite the challenges of the pandemic, leaders from all levels and areas of the company developed and executed culture action plans aimed at building trust through greater respect, empathy, communication and listening. Employees' survey responses also resulted in an inclusion index which will help measure our progress in creating a more inclusive workplace.

Processes, policies and practices

Suncor develops processes, policies and practices that are inclusive and support diversity. Our [Equal Opportunity and Inclusion Policy](#) and supporting Respectful Workplace Standard outline our commitment to eliminate discrimination; celebrate and support the unique experiences and voices of our team; and undertake special efforts to attract diverse workers.

Understanding and skill development

We value inclusive mindsets and behaviours and believe that supporting workers' mental well-being and promoting psychological safety are foundational to an inclusive workplace. Learning initiatives include informal opportunities like quarterly company-wide Action for Inclusion conversations hosted by the I&D Council; hearing people's stories; lunch and learns; panels; diversity day recognition; and curating and adding to a collection

Inclusion and diversity

of resources and tools for people and leaders. Formal training programs on topics like unconscious bias, Indigenous awareness, inclusive leadership skills, and cultural learning opportunities are also available.

In 2020, events across North America and globally amplified the social injustices and systemic racism that continue to exist, and Suncor stepped into those conversations with our people. With a workforce representing all walks of life, we welcome tough conversations to learn first-hand the experiences our colleagues face so that we may all understand, learn, grow and change. Together we're getting more comfortable having these uncomfortable conversations as they help build understanding and awareness of barriers to an inclusive society and workplace.



On Feb. 17, 2021, members of the Black community at Suncor hosted a panel discussion "Pillars: An honest conversation about race" to share their personal stories.



Together we're working hard to listen to each other, step into uncomfortable conversations to learn and grow.

Arlene Strom
Chief Legal Officer and General Counsel

Employee involvement

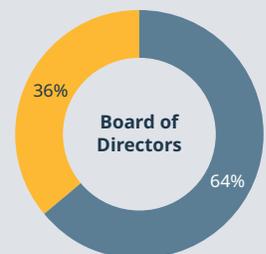
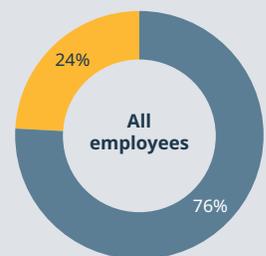
Suncor's employee inclusion networks are established by and for people with shared characteristics, ethnicities, interests or life experiences, and those interested in supporting and/or learning more about ways to build an inclusive workplace. The networks build a sense of belonging and community among members of under-represented or specific groups while encouraging active participation of all people. The networks help inform the I&D strategy for the company, foster greater awareness, and build allies throughout Suncor. They also contribute to our business objectives such as talent recruitment and employee retention. As of the end of 2020, our formal networks had more than 3,000 workers members.

In 2020, members of the I&D Council hosted inclusion listening labs with people across the organization, including some targeted at specific demographic groups (e.g., women, Indigenous, visible minorities, people with disabilities, and the LGBTQ2S+ community) to understand their experiences at Suncor and seek feedback on where progress is being made, where barriers exist, and how to create positive change. Information from these labs contributes to Suncor's I&D strategy and action plans and helps inform updates to policies and processes.

We acknowledge there is still a lot of work ahead of us, and we're proud to move forward together.

1,482 employees completed Unconscious Bias Training in 2020

Workforce representation % of total workforce



Female Male

For additional information about this chart and its data, please refer to performance data notes (#17 - notes on diversity).

Indigenous relations

Partnering with Indigenous communities is foundational to successful energy development.

Suncor's Calgary head office is in Treaty 7, the territory of the Blackfoot Confederacy (Siksika, Kainai, Piikani), Stoney Nakoda (Chiniki, Bearspaw, Wesley) and Tsuut'ina First Nations. It is also home to Métis Nation of Alberta, Region 3. We also operate and do business in many Indigenous territories.

Our approach

We seek to maintain mutually beneficial relationships with Indigenous Peoples that are authentic and meaningful. Beyond commitments outlined in our policies, we also have agreements with 11 Indigenous communities near our operations, including the Regional Municipality of Wood Buffalo in Alberta and Sarnia, Ont. 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 Suncor 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 [Stakeholder Relations](#) and [Aboriginal Relations](#) policies* are implemented.

Relationships

We understand that to develop relationships with communities — relationships based on the principles of respect and reciprocity — we need to listen to communities and get to know them. We do not presume to know what communities need or want. We're continually learning about Indigenous ways of knowing and are evolving our practices to improve relationships. This learning is also helping us to understand where existing processes and structures may unintentionally limit Indigenous inclusion.

We are also working to build a more inclusive workplace and develop the skills to appropriately engage with Indigenous Peoples. Increasing awareness of Indigenous culture, history and rights, hiring Indigenous employees, and having policies reflect Indigenous views is vital. This includes seeking to apply Indigenous knowledge in planning, operations, reclamation and environmental monitoring activity.

In 2021, Mel Benson, a member of Beaver Lake Cree Nation, retired from the Suncor Board of Directors after serving for over 20 years. JP Gladu (pictured below) is a member of Bingwi Neyaashi Anishinaabek located on the eastern shores of Lake Nipigon, Ont. and joined the board in 2020.



Progressive Aboriginal Relations certification

One way we measure the effectiveness of our efforts is through the Canadian Council for Aboriginal Business (CCAB) Progressive Aboriginal Relations (PAR) program. In September 2020, we were PAR-certified at a gold level for the second time. PAR is Canada's only certification program focused on best practices in Indigenous relations.

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

Indigenous relations

Journey of Reconciliation

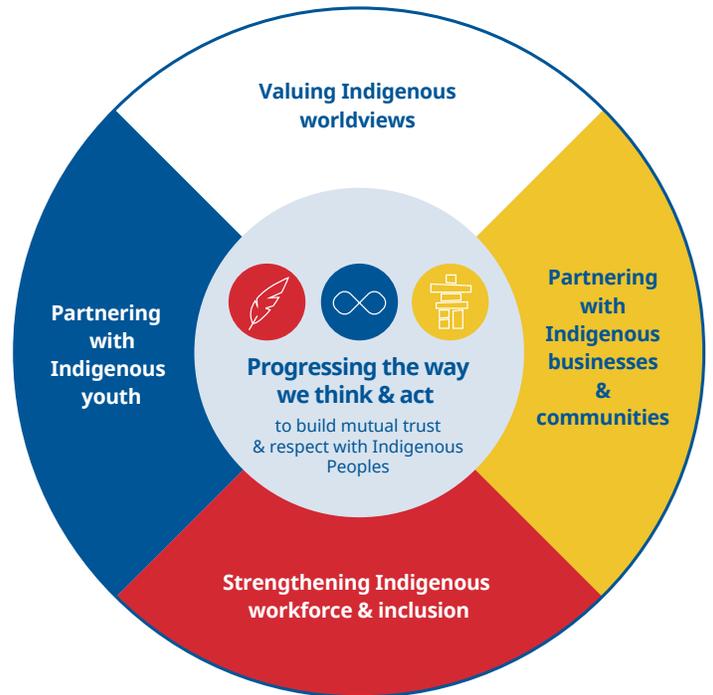
In 2015, we announced a social goal focused on strengthening relationships and increasing the participation of Indigenous Peoples in energy development in Canada. We are proud of the progress we've made but we know there is more work to be done. In 2019, we began a process to evolve the social goal by taking the time to reflect on our accomplishments, the work ahead of us and the valuable lessons we've learned.

We've evolved the social goal to the Journey of Reconciliation and through both metrics and a more concentrated focus on shared experience and storytelling, we hope to provide a more complete picture of the impact and the progress we're making. Feedback from coworkers, Indigenous communities and partners, taught us that our relationships with Indigenous Peoples is constantly evolving — we will always be learning about and from Indigenous perspectives and applying what is learned to how we live and work. As a result, we're putting more focus on what we're learning and we're sharing those experiences through storytelling, building on the Indigenous oral tradition. We have also broadened and deepened the focus areas previously part of our social goal to fully capture the breadth of work underway at Suncor, including partnerships relating to the environment, consultation and youth engagement.

Valuing Indigenous worldviews

We continue to learn and understand Indigenous perspectives through training and experiential learning opportunities. For example, Suncor has been offering Indigenous training internally since 2011, and our training has evolved greatly since then. By the end of 2020, 12,768 people across the company had completed web-based or classroom/instructor-led training. To support people learning about Indigenous Peoples, their history and culture remotely, in 2020 we updated the classroom training and relaunched it as a virtual and interactive instructor-led course called Canada's History with Indigenous Peoples (CHIP). The CHIP course is available across Suncor and complements our [Aboriginal Awareness web-based training](#) that is available both internally and to the public on our website.

In 2020, cultural learning experiences continued including traditional medicine harvesting, sharing circles, storytelling, and important discussions on topics such as Missing and Murdered Indigenous Women and Girls in Canada, and the significance of two-spirit people in Indigenous culture. These experiences, often led by the employee inclusion network dedicated to Indigenous history and culture, Journeys, were attended by more than 1,300 people within Suncor.



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



Indigenous relations

Partnering with Indigenous business and communities

Relationships are essential to advancing business opportunities. Meaningful participation requires the ability to understand each other's desired outcomes, strengths and limitations. It also requires the willingness to have challenging conversations in an authentic and respectful way. Working with Indigenous businesses and communities is essential to creating these relationships, and it is one thing we do to contribute to reconciliation with Indigenous Peoples in Canada. We've partnered with Fort McKay and Mikisew Cree First Nations on the Thebacha Partnership (East Tank Farm Development), and with Aamjiwnaang First Nation on the Adelaide wind project. We're also an equity partner in PetroNor, a James Bay Cree wholesale distributor.

Last year was another successful year for Petro-Canada™ retail and wholesale marketing arrangements with Indigenous communities. As of 2020, we have 58 Petro-Canada™ branded retail stations and wholesale marketing arrangements with First Nations.

In 2020, we implemented an Indigenous Business Participation Strategy across the company for all sourcing activities. The strategy's goal is to drive competition and grow Indigenous business capacity and participation.

Despite a decrease in overall spend in 2020, Suncor's spend with Indigenous suppliers increased from 8.4% in 2019 to 10.6% in 2020 for a total of \$911 million.

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 2020, we have 422 Indigenous employees, which is 3.4% Indigenous representation in our workforce based on voluntary employee self-identification.

Journeys, one of Suncor's employee inclusion networks, plays an important role supporting Indigenous employees to feel a sense of safety and belonging within the company. Journeys helps attract and retain Indigenous employees — a sentiment that Indigenous employees themselves have shared. Both Indigenous and non-Indigenous employees are welcome to join the network to support shared learning. As of 2020, Journeys has more than 800 members.

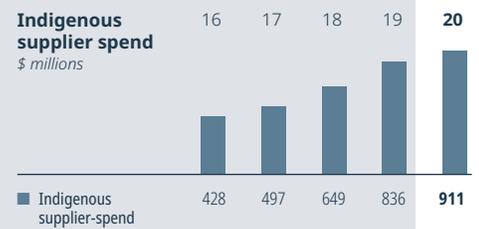
Despite pandemic and economic challenges, we continued to offer the Indigenous Student Program in 2020. The program creates a talent pool and provides Indigenous post-secondary students with an opportunity to gain valuable work experience. The Indigenous Mentorship Program is another internal program supporting Indigenous employees.

Indigenous Workforce Development Advisor

Suncor's Indigenous Workforce Development Advisor works with Indigenous communities to understand community needs, share Suncor recruitment and employment program information, and identify opportunities to strengthen candidates' employment readiness. The advisor also provides Indigenous employment insights and advice to Suncor leaders and teams, manages internal programs, and fosters relationships and collaboration opportunities with external organizations. This full-time role focuses on training-to-employment opportunities, while supporting recruitment efforts and the inclusion and retention of current employees.

Supporting communities through supply chain

As part of our COVID-19 response, our supply chain played a major role supporting communities and identifying critical suppliers. Early in the pandemic, we leveraged our supply chain to purchase personal protective equipment for communities where we operate and donated N-95 masks to communities in northern Canada. This included purchasing materials from an Indigenous supplier we weren't previously working with. Through our impact spend summary, we also looked at where spend was declining and what that would mean for Indigenous businesses. We connected with those businesses about potential changes, and asked how we could support each other.



For additional information about this chart and its data, please refer to performance data notes (#15 – notes on supply chain).



For additional information about this chart and its data, please refer to performance data notes (#17 – notes on diversity).

Indigenous relations

Partnering with Indigenous youth

Indigenous youth represent the future. We're working to create partnerships and have brought together an Indigenous Youth Advisory Council (IYAC).

IYAC, formed in 2019, is an opportunity for the Suncor Energy Foundation (SEF) board, our Indigenous and Community Relations team and various senior leaders and Indigenous youth to listen, share, reflect and act on issues of mutual interest that are impacting 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 and share their perspectives with Suncor leaders.

A series of three Indigenous safety workshops were held virtually in 2020 with IYAC to gather insight, advice and thoughts with respect to Indigenous safety, including cultural and psychological safety. We are working to continue these workshops with IYAC, Journeys (an employee inclusion network) and the Indigenous Student Program.

One of the IYAC members co-designed and hosted the SEF Gatherings that took place in late 2020 for Eastern Canadian partners. The session topics included economic resilience, anti-Black and Indigenous racism and climate action. Storytellers brought their perspectives, then discussions were held between participants to dive deeper into the topics.



An Elder-led ceremony opened one of the Gatherings. Participants were mailed the supplies for creating a tobacco tie in advance and were asked during the ceremony to set their intentions for the event.



Community investment

Suncor has always been an active member of community. This is reflected in the many ways we contribute to communities as well as through the progressive visions and programs of our two foundations: the [Suncor Energy Foundation](#) and the [Petro-Canada CareMakers Foundation™](#).

Corporate community investment (CI) and the Suncor Energy Foundation (SEF)

SEF embodies Suncor's purpose of caring for each other and the earth, by working directly with communities seeking solutions to challenges — today and for generations ahead.

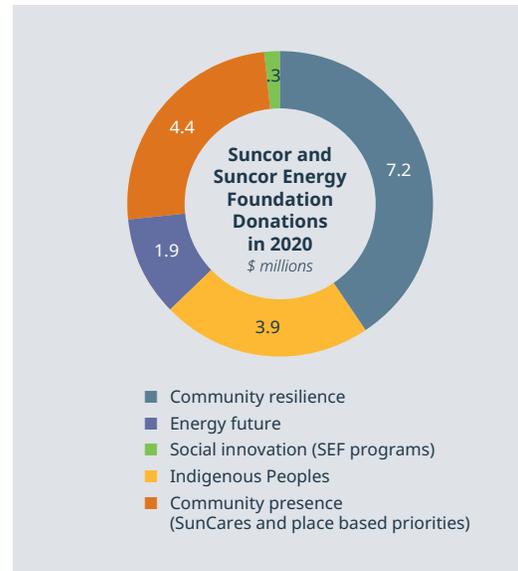
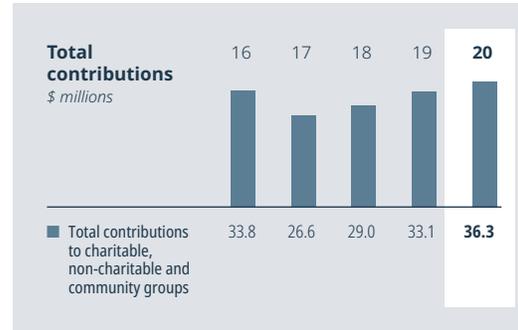
Through our corporate CI and SEF strategy, we're fostering mutual benefit by combining community and Suncor strengths to co-create social, economic and environmental solutions to complex challenges. Our strategic objectives are:

- support communities to adapt and flourish when change requires new skills, mindsets, capabilities and approaches
- amplify youth and community leadership so they are prepared to guide and influence the future
- co-create innovative solutions that address our shared challenges and opportunities and allow us to create the conditions for success and action
- leverage the interests, strengths and capabilities of our employees to contribute to their community and help create solutions to complex issues
- support communities near our operations to address their unique and specific needs that align with community priorities and business needs.

To bring this work to life, our corporate CI and SEF strategy has three pillars: strategic funding priorities, community presence, and social innovation capacity.

Working with communities and partners

Throughout the COVID-19 pandemic, we continue to live our purpose by honouring all existing donation commitments, providing flexibility with our community partners, and contributing additional support to address specific pandemic needs. Despite a challenging year, Suncor and SEF increased contributions to non-profit organizations from \$33 million in 2019 to \$36 million in 2020 to support specific pandemic needs. We recognize that the demand on community organizations increased throughout 2020, even while agencies' abilities to fundraise have been hampered. Much of the work we do is about building and maintaining relationships, and we remain connected with communities. In some ways, the increased number of virtual connection platforms have furthered these relationships.



For additional information about this chart and its data, please refer to performance data notes (#16 – notes on community investment).

Community investment

Strategic funding priorities

Suncor and SEF have a long history of investing in communities through donations to external partners. Through our corporate CI and SEF strategy, we focus our investments in three priority areas:

- Indigenous Peoples – Learn from and with Indigenous Peoples to accelerate a reconciliation mindset, youth engagement and Indigenous-led pathways to success.
- Energy future – We participate in energy system transition by combining the strengths of Suncor and community to seek solutions that prepare us for today and the future.
- Community resilience – Enable communities to maximize opportunities and resources to adapt and thrive through change.

Community presence

Suncor and SEF invest in local communities where we have operations and offer employee engagement and donation opportunities through our SunCares program.

SunCares inspires employees to contribute to communities and supports the causes that are important to our people — through volunteering, donation matching, SunCares Community Giving Networks, and recognition programs such as SunCares Changemakers.

Indigenous Peoples Resilience Fund

The Indigenous Peoples Resilience Fund (IPRF) was established in 2020 as an Indigenous-led effort to respond to urgent community needs nationally while taking a long-term view on building community resilience. SEF is one funder supporting the IPRF. As of the third quarter of 2020, the IPRF had awarded more than \$830,000 to 35 Indigenous-led organizations across Canada. The organizations receiving support are focused on food sovereignty and food security; mental health/cultural support; connectivity, access, education; and capacity.

SunCares volunteer rewards and donation matching expands

In 2020, enhancements to SunCares helped employees support important causes in many ways during a turbulent year. Every employee can now have donations matched up to \$2,000 per year (previously, donations were only matched to post-secondary or humanitarian crisis response). SunCares also allows employees to track time for volunteering — and, because of the pandemic, less formalized “acts of caring.” Tracked time earns \$17 per hour for the employees to donate to any community organization of their choice (also up to a maximum of \$2,000 per year).



34% of employees participated company-wide



73,979 hours volunteered by Suncor employees in their local communities



1,935 community organizations supported



Over \$5.7M contributed to communities through SunCares

For additional information about this chart and its data, please refer to performance data notes (#16 – notes on community investment).



Community investment

Social innovation capacity

We all have a role to play in creating our energy future. Moving forward requires deep conversations — with stakeholders, governments, community members and industry partners, among others. These conversations reinforce what we all want: good quality of life, a healthy environment, and vibrant communities. By considering and working with whole systems, there is opportunity to transform ourselves, our organizations and society.

Suncor and SEF 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 impacts. As part of our strategy, we aim to build capacity for social innovation — including within Suncor.

Through SEF, our community investment initiatives and through our relationships with communities, we work deeply with partners and communities to create value for society and address community issues of mutual interest in a way that seeks solutions and benefits for everyone.

Supporting caregivers

New to the community investment family in 2020 is the Petro-Canada CareMakers Foundation™. Looking to make a meaningful difference, our Petro-Canada™ brand asked Canadians about issues that matter most to them. Over half of Canadians, at some point in their lives, will provide care to a family member or friend with a mental or physical health condition or a disability, a child with special needs, or aging parents. The Petro-Canada CareMakers Foundation™ creates awareness and understanding of the issue of family caregiving in Canada. 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. The Petro-Canada CareMakers Foundation™ is an excellent demonstration of our purpose and complements our community investment activities.

SEF post-secondary donation program

SEF is a long-time supporter of post-secondary education. In recent years, SEF noticed how barriers in the current post-secondary system affect how — or whether — institutions respond to evolving community needs and diverse perspectives. This led to the 2020 launch of a new post-secondary donation program, [Driving Innovation and Reducing Barriers](#). The program's goal is to support initiatives aimed at removing or reducing barriers for students and community members who wish to participate in post-secondary opportunities. Also in 2020, for the first time, SEF invited an advisory group of Suncor employees to review applications and provide recommendations to the SEF Board of Directors on which institutions should receive donations.



Petro-Canada
CareMakers
Foundation™

Human rights

Suncor is committed to preserving and protecting human rights.

Suncor respects internationally recognized human rights. We work to avoid infringing on the rights of individuals and remedy any harm that may occur as a result of our activities.

These rights include those set out in the United Nations Declaration on Human Rights and the International Labor 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.*

Focus areas



Supply chain



Communities



Security



Workforce

Our human rights guiding principles

Supply chain

Our Supplier Code of Conduct (COC) highlights the values that are important to Suncor. The COC:

- guides the standard of behaviour required of all suppliers, contractors, consultants and other third parties with whom we do business
- addresses topics such as safety, human rights, harassment, bribery and corruption, and confidential information, among others
- reinforces our focus on sustainable development and encourages our business associates to work with us to seek ways to reduce environmental impacts, support the communities in which we operate and collectively achieve economic growth.

Compliance with the COC is a standard requirement for all Suncor supply chain contracts.

[Supplier Code of Conduct](#)

Communities

We're developing and maintaining positive, meaningful relationships with stakeholders, communities and Indigenous Peoples. We:

- work to positively contribute to the communities where we operate
- work with local stakeholders, communities and Indigenous Peoples to define an appropriate way to:
 - share information
 - consider interests and impacts
 - incorporate feedback, at all stages, in a manner that respects local and traditional decision-making processes
- work to protect the environment and recognize the cultural significance it has to the communities where we operate
- recognize the unique legal and constitutional rights of Indigenous Peoples, including treaty rights, and seek to understand and respect their history, customs, beliefs and traditions.

[Aboriginal Relations Policy](#)

* We are updating our [Suncor Human Rights Policy](#) to align with global principles.

Human rights

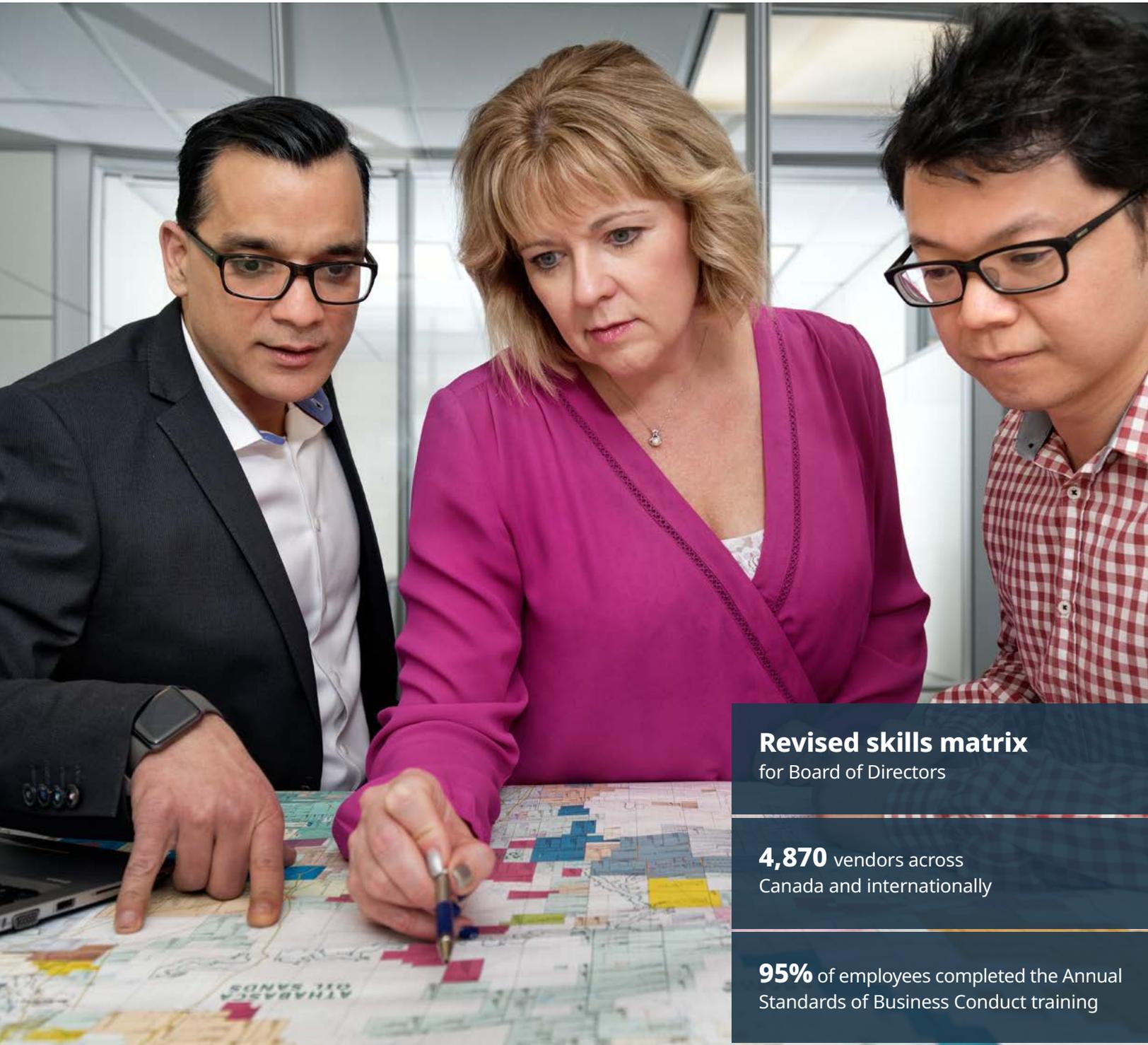
Security	Workforce
<p>We respect the human rights of our workforce and nearby communities, while maintaining the safety and security of our personnel, assets and operations:</p> <ul style="list-style-type: none">• Our security policies and guidelines honour the spirit of international human rights principles and the laws of the jurisdictions in which we operate. <p>We adhere to the Voluntary Principles on Security and Human Rights.</p> <p>Corporate Security Policy</p>	<p>We are committed to advancing responsible labour practices:</p> <p>We treat our personnel with respect and dignity and endeavour to provide an environment free from discrimination, harassment and violence:</p> <ul style="list-style-type: none">• Our employment policies adhere to all applicable domestic laws and are consistent with internationally accepted labour standards including those concerning:<ul style="list-style-type: none">– freedom of association and collective bargaining– non-discrimination– forced labour– underage workers.• We want our workplace to be an inclusive and diverse environment, including removing systemic and programmatic barriers to workplace participation and progression so that individuals have the opportunity to 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 well-being of our employees and communities. <p>Equal Opportunity & Inclusion Policy</p> <p>Environment, Health & Safety Policy Statement</p>

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 that may occur. We have regional specific processes in place and 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 by our Corporate Security or Human Resources teams.



Revised skills matrix
for Board of Directors

4,870 vendors across
Canada and internationally

95% of employees completed the Annual
Standards of Business Conduct training

Governance



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

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 that centre on ethical decision-making including conflicts of interest, harassment, bribery and corruption, insider trading, competition and 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.

Every year, Suncor personnel must complete training about our Code and affirm that they've read [The Way We Do Business](#) and comply with the Code. The Way We Do Business summarizes all of Suncor's policy, guidance and standards that make up the Code.

In 2020 we introduced our [Equal Opportunity and Inclusion Policy](#) to highlight and reinforce Suncor's commitment to providing an equal opportunity, non-discriminatory and inclusive work environment. We also renamed and updated our [Harassment and Violence Free Work Environment](#) Policy Guidance and Standard to the [Respectful Workplace Standard](#). The expanded standard better emphasizes Suncor's expectations and requirements on inclusion, diversity and discrimination.

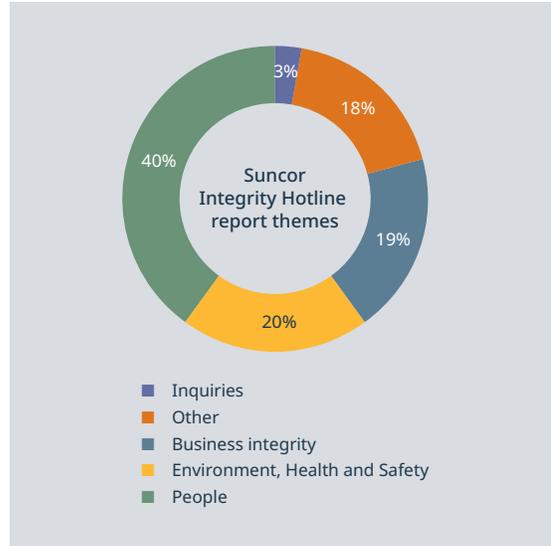
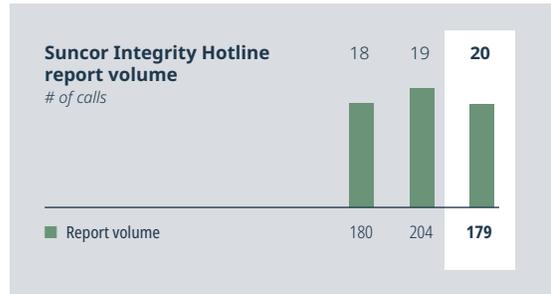
We encourage people to raise concerns about suspected violations of our business conduct code without fear of reprisal with these teams/departments:

- 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 hotline reporting system and our efforts to increase hotline awareness throughout the organization.

Suncor's Program is mature and well-established, and we continue to monitor best practices and to find opportunities for further enhancement.

95% of employees completed the Annual Standards of Business Conduct training



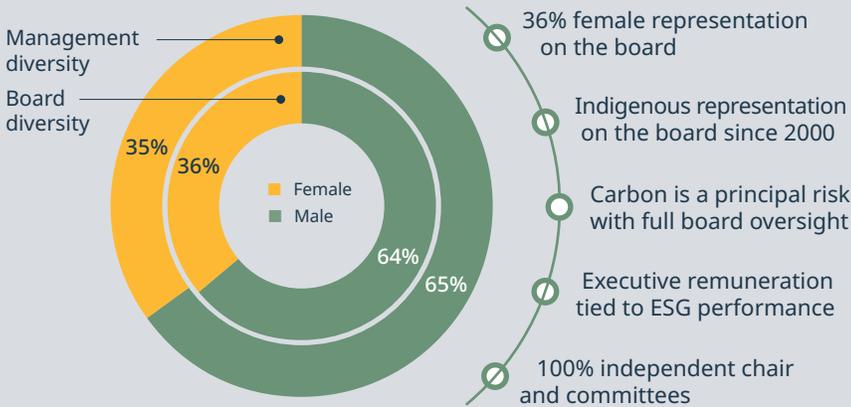
Corporate governance

Through sound governance and committed leadership, we have created a strong foundation to ensure our company’s resilience in energy development. Suncor’s robust governance structure includes our Board of Directors and its committees, together with our executive management team. Both the board and management remuneration are impacted by corporate performance on environmental, social and governance initiatives.

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 reflects directors with a range of perspectives, insights and views on the issues affecting the organization. We search for individuals from diverse backgrounds with regard to gender, visible minority, Indigenous status, age, persons with disabilities, business experience, professional expertise, personal skills, stakeholder perspectives, geographic background and other attributes. The company has a diverse and experienced board, including Indigenous representation for over two decades, and 36% female directors.



For additional information about this chart and its data, please refer to performance data notes (#17 – notes on diversity)

Environment, social and governance (ESG)

ESG is embedded in director recruitment, board evaluation and committee representation. The board revised its skills matrix in 2021. Previously combined, ‘Environment, Health and Safety (EHS) and Social Responsibility’ have been separated into two skills: ‘EHS’ and ‘Social Performance.’ Descriptions for all skills have also now been published.

Suncor’s board practices for 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 GHGs) and social performance in determining the amount of annual incentive payments to the Chief Executive Officer (CEO) and the rest of the executive leadership team (ELT).



With a solid corporate governance structure and a firm commitment to addressing ESG issues, Suncor is well positioned to be a strong, on-going sustainable energy company.

Maureen McCaw
Chair, Environment, Health, Safety and Sustainable Development Committee

For more information on the Board Skills Matrix, including skill descriptions, and governance structure, visit our [2021 Management Proxy Circular](#).



Suncor's governance structure

Effective corporate governance comes from strong leadership and good corporate structure. Economic, environmental and social issues aren't considered separately but evaluated holistically as part of Suncor's strategic decision-making process. This continues to inform our corporate structure. Key features of this governance structure include:

- our board and its committees, which have clearly defined and distinct oversight roles to protect the interests of our shareholders
- the board's Environment, Health, Safety and Sustainable Development (EHS&SD) Committee, which monitors management's performance in areas within its mandate
- 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, supporting our 25+ years of dedication to improve sustainability and increase transparency and reporting across Suncor.

EHS&SD Committee

The board's EHS&SD committee oversees and manages matters relating to environmental, health, safety and sustainable development. The committee meets quarterly to review:

- recommendations to the board about Suncor's strategies and policies on environmental, health, safety and sustainable development
- Suncor's Operational Excellence Management System — an overarching framework to manage operational risk
- management's performance and emerging trends and issues in the environmental, health, safety and sustainable development space to ensure we are anticipating future challenges and positioning ourselves to minimize risks
- management stewardship reports as well as the findings of significant external and internal environmental, health and safety investigations, assessments, reviews and audits.

Risk management

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

We make risk-informed decisions that reflect our culture of embedding sustainability considerations and 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 of these risks are common to operations, while some are unique to Suncor. Our risk management program is aligned with the International Organization for Standardization guidelines (the [ISO 31000 Risk management – Guidelines](#)), which were also 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 risk management standards and a risk matrix.

Over the years, 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 take a disciplined approach to managing these issues.

Identifying principal risks

Principal risks are those that have the potential to materially impact our ability to meet or support our strategic objectives. In the constantly evolving energy business, new risks can emerge and established risks can take on new forms or orders of magnitude. We manage identification of new principal risks through our critical and principal risk processes. These risks are further outlined in our [Management's Discussion and Analysis](#), 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
- portfolio, development and execution
- tailings management, dam integrity and mine closure.

Risk governance

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

Individual business units and functional teams mitigate and report on critical risks in their areas of business. Risk responsibility, accountability and ownership are appropriately assigned to ensure management of identified risks and are supported by dedicated risk co-ordinators per business area. Measures are in place to ensure risk management decisions are properly and effectively implemented and monitored.

Our [2020 Annual Information Form \(dated Feb. 24, 2021\)](#) provides a comprehensive overview of significant risks applicable to Suncor and its businesses. Since 2016, carbon risk has been included as a principal risk and undergoes an annual review by the Environment, Health, Safety and Sustainable Development committee of the board.

Risk assessment and evaluation

We use a single risk matrix tool to consistently assess risks in terms of magnitude of impact, consequence and likelihood. Having a single risk matrix allows the company to be aligned on terminology and approach. It also helps to 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 the impact they might have on the business. Examples of emerging risks include cyber security relating to supply chain, employee burnout and privacy.

Risk management

Operational Excellence Management System (OEMS)

OEMS establishes the requirements to operate in a way that is safe, reliable and cost-efficient 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. The 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 are also required to conduct annual self-assessments against the requirements of the OEMS standard and are also subject to OEM audits.

Sustainability considerations in project development

Integrating sustainability into project development promotes organizational understanding and competency related to emerging policy, environmental and societal considerations. It leverages technology and advances the sustainability mindset to drive toward our purpose. Our governance framework ensures we're systematically embedding sustainability considerations into planning and decision-making for new projects. We're committed to environmental performance, thoughtful collaboration and meaningful stakeholder relationships that underpin our performance and align with our purpose. Strategic guidance is further integrated into our investment evaluation process, which includes a focus on environmental, social and governance considerations, and support of our objectives.

Suncor's strategic priorities drive decisions at the portfolio level that are 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 established sustainability criteria through the concept selection process
- incorporating sustainability risks into the project's risk management process and identify related enterprise risks or opportunities
- defining project sustainability performance impacts as part of stewardship, work element guide documentation and reviews for leadership decision-making.



Supply chain

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

We're steadily increasing the value to our business and generating mutual efficiencies with suppliers, including addressing the environmental and social impacts 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:

- collecting and assessing sustainability performance as part of prequalification and awarding of work
- data gathering to create a baseline understanding of the impacts of our supply chain, enabling us to make more informed decisions
- monitoring and auditing sustainability performance as part of our supplier performance and due diligence process
- evaluating sustainability risks and opportunities in our supply chain
- building collaborative relationships with like-minded suppliers to accelerate innovation and sustainability performance.

Sustainable development approach

All contractors must pre-qualify to perform work or to provide services or materials to Suncor by answering a series of questions, including sustainability-related questions, 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, social innovation, and sustainability embedding. This guides our decision-making and supports how we select suppliers.

Our Supply Chain Qualify and Select Supplier process follows the pre-qualification process and helps inform purchasing decisions. In 2020, we rolled out Supplemental* 5, which is a combination of the previously voluntary Sustainability Supplemental and Indigenous Business Supplemental. Supplemental 5 has enhanced pre-qualification questions and a higher weighting in the evaluation process than the previous two supplementals. This further supports a culture of sustainability throughout our supply chain.

To align with our sustainable development approach, all suppliers must comply with [Suncor's Supplier Code of Conduct \(COC\)](#). While COCs are evolving, we're proud to be an energy leader in this space as this work matures.

In 2020 we conducted a survey within Suncor's Supply Chain team to assess their understanding of sustainability and identify opportunities to improve our internal sustainability culture shift. The majority of respondents understood our sustainability goals, saw the translation of our purpose and recognized it as a differentiator in the way we conduct business. The Supply Chain Sustainability team identified opportunities to continue embedding a sustainability mindset through the tools and processes across the company.



FORGE 2020

In February 2020, prior to COVID-19 gathering restrictions, we brought together Suncor leaders, suppliers, Indigenous businesses and community members, and other industry partners to participate in an interactive forum called FORGE. The two-day event took place at the Tsuut'ina Nation in Calgary and provided an opportunity to listen, learn, co-create, innovate, and accelerate sustainability outcomes together. Since then, we've been working with suppliers to advance more standard processes, predictable performance and continuous improvement. A few themes have emerged such as common scheduling, alignment on COVID-19 protocols, shared certification and aligned apprenticeship programs, staggered peak demand, and regional approaches for equipment and resource use for Suncor and Syncrude in the Regional Municipality of Wood Buffalo. We have also kicked off semi-annual executive meetings with engineering, procurement and construction companies with innovation and sustainability built into the agendas.

* A supplemental is a set of questions designed to obtain information from suppliers on a certain topic, which is then evaluated as part of the supplier selection process.

Supply chain

Measuring our progress

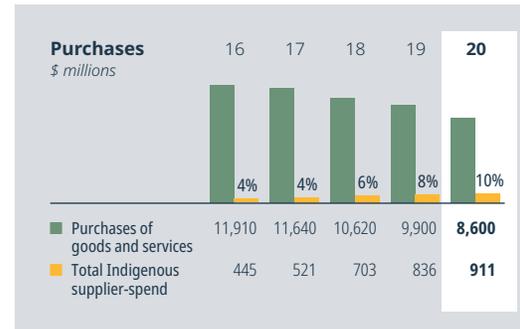
Our suppliers are located across Canada in every province, the Northwest Territories and Yukon, and in 18 countries. In 2020, 94 companies were identified as critical suppliers and services, essential to maintain effective operations.

Working with Indigenous businesses is an important part of our supplier base. We grow involvement with Indigenous businesses through mindful supply chain spending and service delivery levels. In 2020, we developed the Indigenous Business Participation Strategy so that teams across Suncor are aligned with our approach to meeting our commitments and supporting meaningful engagement. We continue to ensure agreements are mutually beneficial and build capacity and capability.

To continuously improve the advancement of business activities, we implemented a new self-serve tool to identify current and potential Indigenous suppliers and we hold monthly stewardship meetings across all supply chain categories, outlining spend and updates on information about Indigenous business development and sustainability. This is part of our strong commitment to the Canadian Council for Aboriginal Business (CCAB) Progressive Aboriginal Relations (PAR) program; in 2020 we received gold-level certification for the second time.

Since 1999, we've spent more than \$6.5 billion with Indigenous businesses. Despite a decrease in overall spending in 2020, Suncor's spend with Indigenous suppliers increased from 8.4% in 2019 to 10.6% in 2020 for a total of \$911 million. In 2019, we transitioned to tracking the percentage of Indigenous spend compared to our overall spend, as it better reflects the advancement of Indigenous business in high and low market cycles. We also track the number of new Indigenous suppliers and communities that we work with and collect the percentage of Indigenous workforce engagement with all suppliers. Beyond quantitative metrics and dollars spent, we also look at the impact business agreements are making. Indigenous business partners and communities have begun to illustrate how business creates value within communities, which further helps Suncor understand the mutual benefit of working with competitive Indigenous suppliers.

In 2020, contracts at our sites in the RMWB, and at the Edmonton and Sarnia refineries for scaffolding and insulation were awarded to BrandSafway Infinity. The funds from these contracts supported BrandSafway Infinity hiring 33 Indigenous students from across northeastern Alberta in McMurray Métis Summer Student Program.



For additional information about this chart and its data, please refer to performance data notes (#15 – notes on supply chain)



As a community partner with Suncor, Infinity Métis Corp is extremely pleased to start seeing the sustainable business benefits within the Métis communities and beyond. We acknowledge that we are collectively learning and that working together provides win/wins for both partners.

Shawn Myers
Chief Executive Officer, Infinity Métis Corp



Appendix

- > About our report
- > Performance data
- > Performance data footnotes
- > Independent practitioner's assurance report
- > GRI/SASB disclosure index
- > UN Sustainable Development Goals (SDGs)
- > UNGC communications 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 operate (unless otherwise stated). More detailed facility and business segment performance, where applicable, is available for download on sustainability.suncor.com.

Our [2020 Annual Report](#) provides financial performance and information about our business.

Reporting period

Performance data presented in this report reflects our activities from Jan. 1 to Dec. 31, 2020, unless otherwise stated. Where possible (or as appropriate) we've included historical data trends. Information regarding events or activities in the first half of 2021 may also be included. Third-party review and assurance completed by Ernst & Young LLP, they performed review-level assurance on selected performance indicators for the year ended Dec. 31, 2020 driven by various reporting frameworks and sector disclosures. Refer to the [2020 independent assurance statement](#).

Restatements

Historic numbers are sometimes adjusted due to, for example, changes in reporting principles, 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 Core standards, and informed by oil and gas sector supplement guidelines
- **IPIECA** – sector-specific sustainability reporting guidance for the oil and gas industry
- **Sustainability Accounting Standards Board** – industry-specific standards
- **Task Force on Climate-related Financial Disclosure** – recommendations
- **United Nations Global Compact** – this report fulfills 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 anti-corruption 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 to review the most relevant sustainability priorities for our business and those that matter most to our stakeholders. Throughout 2020 and early 2021, we conducted a formal materiality assessment to ensure we accurately considered a broad range of perspectives. We conducted a materiality survey and facilitated engagement sessions to learn from internal and external stakeholders to evaluate our priority topics for our Report on Sustainability. We review priorities for our report annually 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 are 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 their issues and concerns affected by our operations or who could, 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.
- Evaluation in line with our annual enterprise risk management process.
- Informed by a number of sustainability reporting frameworks to determine relevance.

3 Assessment

- The prioritization of 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 are operating 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 are working 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 this, we work hard to 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:

- address 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.

About our report

Sustainability priorities

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

- Climate change and energy transition
- Personal and process safety
- Indigenous relations
- Ethics
- Water stewardship
- Tailings management
- Innovation



Other significant priorities were also identified and our performance or approach to these priorities are 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.

- Spills and releases
- Land and reclamation
- Air quality
- Biodiversity
- Waste

Environment



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

Social



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

Governance and our business



Performance data

Our sustainability performance data provides annual (Jan. 1 to Dec. 31) environment, social and governance data for 2020, with five-year performance trends where possible. Data reflects assets owned and operated by Suncor, as well as GHG data being demonstrative of all Suncor equity assets, unless otherwise stated. Any data point that is accompanied by the (A) symbol has been independently reviewed and assured by Ernst & Young LLP. [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 2020 Annual Report due different reporting boundaries.

Additional information can also be downloaded on sustainability.suncor.com.

Indicators – Suncor company totals	2016	2017	2018	2019	2020
Operational performance⁴					
Total upstream and downstream net production <i>million m³/yr</i>	44.71	48.53	53.95	55.85	47.54 (A)
Total upstream and downstream net production <i>million BOE/yr</i>	281.22	305.24	339.33	351.28	299.02 (A)
Upstream processed volumes and net production <i>million m³ OE/yr</i>	24.23	27.22	34.19	36.00	28.80 (A)
Upstream processed volumes and net production <i>million BOE/yr</i>	152.40	171.21	215.05	226.40	181.15 (A)
Downstream net production <i>million m³ refined product/yr</i>	27.23	27.98	26.92	27.57	25.25 (A)
Downstream net production <i>million BOE/yr</i>	171.27	175.99	169.32	173.42	158.81 (A)
Ethanol production <i>million litres of ethanol product/yr</i>	414.39	407.80	402.00	399.57	335.95
Wind energy generated <i>MWh</i>	106,912	76,589	100,850	98,419	96,952
Greenhouse gas (GHG) and energy^{5,6}					
Operated total GHG (scope 1 and 2) emissions <i>thousand tonnes CO₂e</i>	18,739	19,874	21,990	22,722	20,856 (A)
GHG (scope 1) emissions <i>thousand tonnes CO₂e</i>	–	–	20,577	21,377	19,565
GHG (scope 2) emissions <i>thousand tonnes CO₂e</i>	–	–	1,413	1,345	1,292
Operated total GHG emissions intensity <i>kg/BOE</i>	63	63	62	62	66 (A)
Operated total GHG emissions intensity <i>g/MJ</i>	10.5	10.3	10.0	10.1	10.9
Equity total GHG (scope 1 and 2) emissions <i>thousand tonnes CO₂e</i>	24,783	25,945	27,997	28,997	27,703
Equity total GHG emissions intensity <i>kg/BOE</i>	64	64	68	68	71
Equity total GHG emissions intensity <i>g/MJ</i>	10.8	10.7	11.2	11.2	11.7
GHG (scope 3) emissions <i>thousand tonnes CO₂e</i>	–	–	–	–	122,900
Energy use <i>million GJ</i>	285.80	301.98	336.10	346.31	320.05

Performance data

Indicators – Suncor company totals	2016	2017	2018	2019	2020
Direct energy use <i>million GJ</i>	276.00	287.89	328.30	340.33	315.29
Indirect energy use <i>million GJ</i>	10.02	14.08	7.78	5.98	4.76
Energy intensity <i>GJ/BOE</i>	1.02	0.99	0.99	0.99	1.07
Air emissions⁷					
SO₂ emissions <i>thousand tonnes</i>	21.10	20.51	20.50	20.78	21.93
SO₂ emissions intensity <i>kg/BOE</i>	0.07	0.07	0.06	0.06	0.07
NO_x emissions <i>thousand tonnes</i>	24.90	26.64	33.29	36.98	33.66
NO_x emissions intensity <i>kg/BOE</i>	0.09	0.09	0.10	0.11	0.11
VOC emissions <i>thousand tonnes</i>	19.50	23.14	25.96	21.30	22.55
VOC emissions intensity <i>kg/BOE</i>	0.07	0.08	0.08	0.06	0.08
PM₁₀ emissions <i>thousand tonnes</i>	–	–	–	2.60	2.39
H₂S emissions <i>thousand tonnes</i>	–	–	–	0.05	0.04
Water use⁸					
Water withdrawal <i>million m³</i>	162.18	105.07	144.69	143.43	133.96 (A)
Surface water withdrawal <i>million m³</i>	124.78	74.90	106.88	110.99	65.45
Groundwater withdrawal <i>million m³</i>	2.51	2.26	3.13	3.92	4.41
Municipality / city / district water withdrawal <i>million m³</i>	4.22	4.20	4.12	4.16	3.86
Treated wastewater withdrawal <i>million m³</i>	1.37	1.60	1.52	1.74	2.48
Industrial run off water withdrawal <i>million m³</i>	29.30	22.10	29.04	22.61	57.75
Water withdrawal intensity <i>m³/BOE</i>	0.58	0.35	0.43	0.41	0.45 (A)
Water returned <i>million m³</i>	105.12	65.99	77.44	77.10	77.35
Water consumption <i>million m³</i>	57.19	39.07	67.24	66.33	56.61
Water consumption intensity <i>m³/BOE</i>	0.20	0.13	0.20	0.19	0.19

Performance data

Indicators – Suncor company totals	2016	2017	2018	2019	2020
Fresh water consumption <i>million m³</i>	36.80	22.40	46.52	51.60	31.04
Fresh water consumption intensity <i>m³/BOE</i>	0.13	0.07	0.14	0.15	0.10
Land disturbance and reclamation¹⁰					
Total land disturbed <i>cumulative hectares</i>	23,613	23,960	33,772	34,525	34,993
Total land reclaimed <i>cumulative hectares</i>	2,140	2,239	2,621	2,795	2,850
Waste⁹					
Total waste generated <i>thousand tonnes</i>	2,148	2,123	2,487	2,420	2,683
Hazardous waste generated <i>thousand tonnes</i>	1,982	999	983	1,049	1,006
Hazardous waste incinerated <i>thousand tonnes</i>	3.60	3.54	4.14	3.46	3.04
Hazardous waste deep well injection <i>thousand tonnes</i>	1,963	985	958	1010	969
Hazardous waste landfilled <i>thousand tonnes</i>	12.01	7.25	6.16	7.55	5.66
Hazardous waste otherwise disposed or treated <i>thousand tonnes</i>	3.15	3.27	15.04	28.22	28.30
Non-hazardous waste generated <i>thousand tonnes</i>	167	1,124	1,503	1,371	1,676
Non-hazardous waste incinerated <i>thousand tonnes</i>	0.69	0.09	0.17	0.02	0.00
Non-hazardous waste deep well injection <i>thousand tonnes</i>	0.87	986.85	1,315	1,174	1,596
Non-hazardous waste landfilled <i>thousand tonnes</i>	161	135	179	184	76
Non-hazardous waste otherwise disposed or treated <i>thousand tonnes</i>	4.27	1.62	9.71	13.08	4.06
Waste recycled, reused or recovered <i>thousand tonnes</i>	123.00	71.00	96.18	151.82	82.37
Environmental compliance¹¹					
Environmental non-compliance #	5	5	9	9	4
Environmental regulatory fines <i>thousand CND\$</i>	275	413	282	113	5,439
Significant spills #	0	0	0	0	0
Economic¹⁴					
Revenues and other income <i>\$ millions</i>	26,968	32,079	38,986	38,989	25,052

Performance data

Indicators – Suncor company totals	2016	2017	2018	2019	2020
Operating, selling and general expense (OS&G) <i>\$ millions</i>	9,150	9,245	10,573	11,244	9,927
Employee costs <i>\$ billions</i>	3.40	3.20	3.30	3.60	2.80
Royalties and taxes paid <i>\$ millions</i>	105	1,489	1,695	2,555	933
Distribution to shareholders and bondholders <i>\$ millions</i>	2,889	3,069	3,230	3,439	2,554
Economic value retained <i>\$ millions</i>	14,789	18,249	23,488	21,751	11,638
Enterprise value <i>\$ billions</i>	88	89	76	81	52
Capital and exploration expenditures <i>\$ millions</i>	6,582	6,551	5,406	5,558	3,926
Political donations <i>\$ thousands</i>	3	0	0	0	0
Supply chain¹⁵					
Total supplier base <i>#</i>	8,463	7,997	6,497	5,768	4,870
Indigenous supplier base <i>#</i>	58	55	85	88	104
Purchases of goods and services <i>\$ billions</i>	11.91	11.64	10.62	9.90	8.60
Total Indigenous supplier – spend <i>\$ millions</i>	445	521	703	836	911
Indigenous supplier – spend direct <i>\$ millions</i>	428	497	628	804	884
Indigenous supplier – spend indirect <i>\$ millions</i>	17	24	21	32	27
Community investments¹⁶					
Total contributions to charitable, non-charitable and community groups <i>\$ thousands</i>	33,800	26,557	28,980	33,102	36,278
Value of cash donations <i>\$ thousands</i>	22,843	25,466	27,843	32,747	32,411
Value of in-kind donations <i>\$ thousands</i>	10,873	291	1,137	187	3,867
Value of management cost donations <i>\$ thousands</i>	953	994	1,143	1,378	1,073
Value of external resources leveraged <i>\$ thousands</i>	744	232	945	786	3,015
Suncor's donation to the Suncor Energy Foundation (SEF) <i>\$ thousands</i>	10,164	16,600	18,455	20,255	19,000
Suncor Energy Foundation (SEF) donations <i>\$ thousands</i>	14,881	16,649	15,817	15,143	17,637

Performance data

Indicators – Suncor company totals	2016	2017	2018	2019	2020
SunCares Employee Program					
Employee participation %	–	27	26	29	34
Organizations supported #	–	1,271	1,377	1,501	1,935
Value of Suncor and SEF donations \$ thousands	–	1,668	2,822	2,660	2,954
Value of employee personal donations \$ thousands	–	1,313	2,719	3,138	2,802
Volunteer hours #	–	80,706	73,259	96,067	73,979
Health and safety¹²					
Total lost time injury frequency # per 200,000 hours worked	0.04	0.03	0.03	0.04	0.04
Employee lost time injury frequency # per 200,000 hours worked	0.04	0.03	0.02	0.06	0.06
Contractor lost time injury frequency # per 200,000 hours worked	0.05	0.04	0.03	0.03	0.03
Total recordable injury frequency # per 200,000 hours worked	0.33	0.40	0.37	0.39	0.32
Employee recordable injury frequency # per 200,000 hours worked	0.27	0.30	0.30	0.39	0.29
Contractor recordable injury frequency # per 200,000 hours worked	0.36	0.45	0.41	0.39	0.34
Serious injury and fatality # (actual)	4	1	1	1	1
Fatalities #	0	1	0	1	2 (A)
Loss of primary containment (tier 1 and 2) #	87	46	45	39	38
Workforce¹³					
Suncor employees #	13,243	12,649	12,626	13,483	13,035
Full-time employees #	12,888	12,389	12,317	13,004	12,489
Part-time employees #	121	111	98	97	102
Temporary/casual employees #	252	149	211	382	444
Long-term contractors #	757	809	559	534	235
Unionized workforce %	34.60	32.80	33.20	31.58	31.78
New employee hires %	5.10	7.70	7.70	8.25	3.34

Performance data

Indicators – Suncor company totals	2016	2017	2018	2019	2020
Male new employee hires %	77.00	76.90	69.70	73.01	73.79
Female new employee hires %	23.00	23.10	30.30	26.99	25.52
Employee turnover %	7.00	5.80	6.00	4.76	4.60
Male employee turnover %	68.89	71.03	74.06	72.23	73.17
Female employee turnover %	31.11	28.97	25.94	27.77	26.17
Diversity¹⁷					
All Employees					
Men %	75.50	76.20	76.80	75.27	76.15
Women %	24.50	23.80	23.20	24.58	23.71
Indigenous Peoples %	1.90	3.00	3.10	3.27	3.40
Visible minorities %	12.60	14.70	12.60	11.81	12.88
Persons with disabilities %	0.82	0.68	0.67	0.74	0.76
Age less than 30 %	11.32	8.81	7.96	8.48	7.53
Age 30-50 %	61.96	63.92	64.26	65.82	65.71
Age greater than 50 %	26.71	26.10	26.11	25.56	26.77
Management					
Men %	71.15	72.73	71.67	65.67	65.22
Women %	28.85	27.27	28.33	34.33	34.78
Board of directors					
Men %	63.64	60.00	66.67	60.00	63.64
Women %	36.36	40.00	33.33	40.00	36.36
Remuneration of women to men %	-	-	-	97	97
Management %	-	-	-	96	97
Individual contributor %	-	-	-	97	96

Performance data footnotes

1 Overview

Performance data provided throughout our Report on Sustainability in tables and graphs includes social, environmental and economic indicators from the 2020 reporting year with five-year trends, where feasible. Economic data is reported in a consistent manner with our 2020 Annual Report. 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 middle of a reporting year are pro-rated based on the date of operatorship.

3 Summary of business segments and operations included in performance data

- a. Suncor totals reflect consolidation of data where relevant and applicable.
- b. Upstream (Oil Sands Base) includes Millennium and North Steepbank mining, extraction and integrated upgrading facilities, 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 FPSO vessel situated off the east coast of Canada. Production at Terra Nova has been shut in since the fourth quarter of 2019. In 2021, co-owners reached an agreement in principle to restructure the project ownership and provide short-term funding towards continuing the development of the Asset Life Extension Project, with the intent to move to a sanction decision in fall 2021.
 - E&P North America Onshore natural gas assets operated by Suncor. Assets were significantly divested from 2013 to 2015 and in 2018, Suncor sold its mineral land holdings in north-eastern British Columbia to Canbriam Energy Inc.
 - 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, Que., Sarnia, Ont., Edmonton, Alta., and Commerce City, Colo. Suncor previously operated a lubricants business in Mississauga, Ont., which was sold Feb. 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 (new in 2019). 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. In fall 2021, Suncor will take over operatorship of Syncrude. Suncor's financial interest will not change — we will maintain our 58.74% working interest. All data for Syncrude will be included on an operational basis in next year's report.

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 2020 Annual Report.
- c. Fort Hills production is partially upgraded bitumen associated with the paraffinic froth treatment process.

Performance data footnotes

- d. In situ production is net bitumen sales associated with total plant saleable product.
- e. East Coast (Terra Nova) production is 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, co-owners reached an agreement in principle to restructure the project ownership and provide short-term funding towards continuing the development of the Asset Life Extension Project, with the intent to move to a sanction decision in fall 2021.
- f. Refining and Logistics net production is reported on a business unit level, where transfers between our facilities have been removed from facility production totals.
- g. St. Clair Ethanol Plant production is ethanol produced and converted to cubic metres of oil equivalent, on an energy basis.
- h. Wind energy production is in megawatt hours, from Suncor-operated wind facilities (100% — not adjusted for ownership).
- i. Our refineries that blend ethanol into gasoline are Sarnia, Montreal, Commerce City and Edmonton.
- j. Production data is inconsistent with our 2020 Annual Report due 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 2015-2020 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. The major impacts of using the GWPs issued by the IPCC's fourth assessment report are that emissions from methane increase slightly due to an increase in the GWP factor from 21 to 25. Emissions from nitrous oxides (N₂O) decrease slightly with that factor decreasing from 310 to 298. Other GHGs have also had their GWPs adjusted but have little to no material impact on our total GHG emissions.

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.

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.

Performance data footnotes

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 real-time gas composition and 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 2020 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 2020 reporting year at a reasonable level of assurance.

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 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
- Environment Canada Greenhouse Gas Inventory 1990 – 2007 Report 2009
- Intergovernmental Panel on Climate Change 2006 Guidelines for National Greenhouse Gas Inventories
- Western Climate Initiative (WCI) Design for the WCI Regional Program, July 2010
- National Renewable Energy Laboratory Life Cycle Assessment of Hydrogen Production via Natural Gas Steam Reforming
- Final Essential Requirements for Mandatory Reporting – Amended for Canadian Harmonization, 2011
- Alberta Greenhouse Gas Quantification Methodologies (Technology Innovation and Emission Reduction Regulation) (Version 2.1)
- Western Climate Initiative (WCI) Final Essential Requirements of Mandatory Reporting: Amended for Canadian Harmonization, 2013
- Regulation respecting mandatory reporting of certain emissions of contaminants into the atmosphere 2020
- Canadian's Greenhouse Gas Quantification Requirements (Greenhouse Gas Reporting Program), 2020
- Environment Canada National Inventory Report, 1990-2018
- Canadian Association of Petroleum Producers: Guide Calculating Greenhouse Gas Emissions, April 2003

5.5 Additional GHG notes

- a. GHG emissions are calculated using facility-specific and referenced methodologies accepted by the relevant jurisdictions each facility is required to report GHG emissions. Methodology has been followed where a jurisdiction has a prescribed one and if none exist then the most applicable and accurate methods available are used to quantify each emission source.
- b. Absolute CO₂e 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 in determining 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.

Performance data footnotes

- 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 include electricity purchased from the grid, purchased electricity and steam from the third-party TransCanada cogen. 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). The indirect energy calculation methodology credits operations for electricity exported to external users and/or other Suncor facilities. 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: Majority of the hydrocarbon volumes produced from Suncor operated and non-operated assets on a working interest (WI) 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 onsite. 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 Oil and Natural Gas Industries, 2009 and GREET Model.
 - Refinery Throughput: Scope 3 GHG emissions for 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. The data in the GHG performance section reflects our owned and operated assets emissions, and new to this year, we are reporting GHG data on an equity basis as well. 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 lifecycle GHG reductions, or wind-generated offsets.
- k. Minor adjustments were made to 2019 GHG Fort Hills emissions due to a correction of the fuel gas quantification methodology to better align with the requirements of the new regulation (TIER). There were also other updates (adjustments to diesel and gasoline usage, venting survey, emission factor updates, etc.) to the data as well; however, they only marginally changed the emissions. Although these are minor adjustments, they also resulted in an immaterial change to our reported total Suncor-wide GHG emissions.

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.

Performance data footnotes

- 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.

7 Notes on other air emissions

- a. Air emissions data reported (NO_x, SO₂ and VOC) include point and non-point sources.
- b. We report to the Canadian National Pollutant Release Inventory and the U.S. Toxic Release Inventory annually, and additional information on our 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' 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 2019 SO₂, NO_x and VOCs due to calculation corrections at a facility level to better align with regulatory reporting. These adjustments also resulted in changes to our reported total 2019 Suncor-wide air quality emissions.

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. Also referred to as water abstraction or water intake. Fresh and non-fresh water sources are included.
- b. Total water return is the sum of effluents and other water leaving the organization's boundary and released to surface water, groundwater 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 the Suncor activity. Where no regulatory definition of freshwater exists, default to the Alberta Environment limit of freshwater 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 and Fort Hills 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 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 comprised 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.

9 Notes on waste management

- a. Waste volumes depend on site activities or periodic equipment maintenance and may fluctuate annually.
- b. In Situ waste that is sent to deep well injection is primarily related to blowdown from our SAGD 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-recycle rates, above regulated levels.

Performance data footnotes

- 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 are 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.

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, which 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.
- 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. In 2020, all registered tailings ponds with the Alberta Energy Regulator (AER) were reassessed which resulted in a reclassification.

11 Notes on environmental compliance

- a. In 2018, we improved the environmental compliance metrics we report on a company-wide level, which better align with our internal tools, processes and metrics and also to Global Reporting Initiative Standards. Our focus is always in incident prevention, and all spill events are recorded and investigated. Root cause is determined and remedial actions are implemented to minimize risk and chance of recurrence. Historical environmental compliance metrics using this improved methodology aren't available; however, prior year environmental compliance information is accessible in past versions of our Report on Sustainability.
- b. Environmental non-compliance data aligns with our risk matrix (defined by Suncor) and guiding principles for managing risk, and reflects at minimum an event triggering a regulatory exceedance or non-compliance, resulting in a regulatory investigation and administrative actions and/or more stringent penalties imposed on Suncor.
- c. Environmental regulatory fines also align to our risk matrix, and reflect financial penalties levied by the regulator or the courts and paid in the reporting year as a result of a regulatory non-compliance or exceedance. This includes administrative penalties, but not enforcement tickets.
- d. Significant spills reflect unplanned or accidental release of material whose impact off property takes longer than seven months to remediate, or on property one year or more to remediate or reclaim. These could be into the environment or into a location that does not usually contain the material, as specified by geographical regulation.

Performance data footnotes

- e. Our enterprise-wide environmental compliance metrics help identify incidents with the greatest environmental and regulatory risk. The intent of these metrics is to learn from environmental incidents to prevent reoccurrence and promote the consistent enterprise-wide application of appropriate mitigations.
- f. In 2020, further investigation and penalties were issued by the regulator for incidents occurring in 2017, 2018 and 2019; therefore, we have restated environmental non-compliance for Oil Sands, In Situ, Refining and Logistics, and Suncor-wide performance data.
- g. The sum of fines paid during the reporting period were due to violating water and air requirements in our Refining and Logistics business (Commerce City and Sarnia refineries).
- h. All compliance information reported in this filing is based on data as of March 4, 2021. Compliance data is subject to restatement for a full year as events are updated and reclassified to ensure consistency and accuracy in publicly available information.

12 Notes on health and safety

- a. 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.
- b. Beginning in 2018, the health and safety data reflects the new regional organizational structure for Suncor's operations in the Regional Municipality of Wood Buffalo (RMWB). This now reflects health and safety data for Suncor's Fort Hills operations and the Regional Services organization: a team that provides support services to Suncor's assets in the RMWB.
- c. 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. This tells us how many workers who are injured for every 100. Prime contractor incident data is excluded from this metric.
- d. In 2018, one contractor event which was a medical treatment became a lost time in July 2019. Therefore, we have restated 2018 contractor lost time injury frequency for Regional Services and Suncor-wide performance data.
- 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. In 2018, one employee event which was a medical treatment was downgraded to a First Aid by the company physician in September 2019. Therefore we have restated 2018 employee recordable injury frequency for Downstream and Suncor-wide performance data.
- g. Serious injury and fatality (SIF) actual includes 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).
- h. Contractors refer to any organization, company or individual who provides goods and/or services to Suncor.
- i. 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.
- j. 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.

Performance data footnotes

k. All health and safety information reported in this filing is based on data as of April 1, 2020. 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.

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 or temporary employees. Leaves, other than long-term disability, such as maternity, paternity, personal leave, as well as short-term disabilities, are considered active and are included.
- d. Long-term contractors are individual workers engaged as a contractor 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 retailer, and consultants.
- e. Unionized workforce data is only applicable in areas where there is a unionized environment.
- f. We have restated 2019 total Suncor employees, temporary/casual employees and long-term contractors for Suncor-wide performance data to ensure consistency and accuracy in publicly available information.
- g. All workforce information reported in this filing is based on data as of Dec. 31, 2020. In 2020, workforce data has been aligned for consistency with the 2020 Annual Report.

14 Notes on economic performance

- a. Select economic figures have been calculated according to the International Financial Reporting Standards. For complete disclosure of our financial information, see our 2020 Annual Report.
- b. Operating, Selling and General (OS&G) expenses are subject to historical restatements due to reclassifications within our income statement. Employee costs are reported in our annual report under OS&G and include salaries, benefits and share-based compensation. Typically, a portion of employee costs are capitalized as part of fixed assets.
- c. Royalties and taxes paid include monies remitted to government, including income, property, and other taxes, Crown royalties, and lease bonuses and rentals.
- d. Under GRI Standard 201-1, economic value retained reflects the direct economic value generated (revenues) minus economic value distributed (operating costs including employee costs, taxes and royalties paid, distribution to shareholders, and community investments).
- e. Capital and exploration expenditures includes capitalized interest.
- f. 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.

Performance data footnotes

- c. Inclusion of contracts in the reporting year is based on the payment date, not the date of services rendered.
- d. All supply chain information reported in this filing is based on data as of Dec. 31, 2020 aligned with internal stewardship reporting to ensure consistency and accuracy in publicly available information.

16 Notes on community investments

- a. Since 2014, values for community investments are calculated by Suncor and the Suncor Energy Foundation (SEF). The SEF is audited annually by KPMG. The value of total contributions includes cash, volunteer rewards and in-kind donations; as of 2019 this also includes Suncor's contribution through Syncrude community investment.
- b. Value of time donations is reported by employees to Suncor voluntarily. The hours represent hours volunteered during working hours.
- c. Value of management cost donations from 2015 to 2020 is for SEF only.
- d. External resources leveraged represents cash and in-kind value generated as a result of Suncor's involvement, but which is not a cost to the company (e.g. as of 2020, includes employee personal donations through our SunCares employee programs; can include food donations from a Suncor event and matching donations from other funders).
- e. 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 which protects multi-year commitments going forward.
- f. 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, matching donations. Employee personal donations include employee and retiree donations and donations made through the public SunCares Community Impact Portal.

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 consented to release this information.
- 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 Dec. 31, 2020. In 2020, workforce data has been aligned for consistency with the 2020 Annual Report.
- d. 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 2020 conversion rate.

Independent practitioner's assurance report



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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 International Standards on Assurance Engagements, here after referred to as the engagement, to report on selected performance indicators contained in Suncor's 2021 Report on Sustainability and 2021 Climate Report (the "Reports"). The scope of our engagement, as agreed with management, included the following performance indicators:

- Upstream processed volumes and net production
- Downstream net production
- Total upstream and downstream net production
- Operated total Greenhouse Gas (GHG) (Scope 1 and 2) emissions
- Operated total GHG emissions intensity
- Water withdrawal
- Water withdrawal intensity
- Fatalities
- Total land disturbed (Oil Sands Base Plant and Fort Hills)
- Total land reclaimed (Oil Sands Base Plant only)

The selected performance indicators are collectively referred to as (the "Subject Matter") and are further described in Schedule 1.

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 Global Reporting Initiative ("GRI") Sustainability Reporting Standards and the Sustainability Accounting Standards Board ("SASB") Standards further described in Schedule 1 and collectively referred to herein as (the "Criteria").

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 *International Standard on Assurance Engagements: Assurance Engagements Other Than Audits or Reviews of Historical Financial Information ("ISAE 3000 Revised")*. 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 conclusions.

Independent practitioner's assurance report

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 behavior and have the required competencies and experience to conduct this assurance engagement.

We apply *Canadian Standard on Quality Control 1, Quality Control for Firms that Perform Audits and Reviews of Financial Statements, and Other Assurance and Related Services 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 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 inquiries, primarily of persons responsible for preparing the Subject Matter and related information, and applying analytical and other appropriate procedures.

Our procedures included:

- Inquiries of a selection of management to gain an understanding of Suncor's processes, policies and controls in place related to the Subject Matter;
- Inquiries of relevant staff who are responsible for the Subject Matter including, where relevant, observing and inspecting systems and processes for data aggregation and reporting;
- Evaluating the accuracy of calculations performed, on a sample basis, through analytical procedures and limited reperformance; and,
- Evaluating the presentation 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 are not prepared, in all material respects, in accordance with the Criteria.

The logo for Ernst & Young LLP is written in a black, cursive script font.

Chartered Professional Accountants

July 12, 2021
Calgary, Canada

Independent practitioner's assurance report

Schedule 1

Our limited assurance engagement was performed on the following selected performance indicators:

GRI Standard Applied ^(a)	SASB Standard Applied ^(a)	Performance Indicator	Scope	Reported Value (For the Year-Ended December 31, 2020)
GRI OG1	EM-EP-000.A	Upstream processed volumes and net production	Company wide	28.80 million m ³ OE/year
GRI OG1	EM-EP-000.A	Downstream net production	Company wide	25.25 million m ³ refined product/year
GRI OG1	EM-EP-000.A	Total upstream and downstream net production	Company wide	47.54 million m ³ /year
GRI 305-1	EM-EP-110a.1 EM-RM-110a.1 EM-MM-110a.1	GHG (scope 1) emissions	Company wide	19,565 tCO ₂ e
GRI 305-2	EM-EP-110a.2 EM-RM-110a.2 EM-MM-110a.2	GHG (scope 2) emissions	Company wide	1,292 tCO ₂ e
GRI 305-4	EM-EP-320a.1 EM-RM-320a.1 EM-MM-320a.1	Operated total GHG emissions intensity	Company wide	66 kg CO ₂ e / BOE
GRI 303-1	EM-EP-140a.1 EM-RM-140a.1 EM-MM-140a.1	Water withdrawal	Company wide	133.96 million m ³
GRI 303-1	EM-EP-140a.1 EM-RM-140a.1 EM-MM-140a.1	Water withdrawal intensity	Company wide	0.45 m ³ / BOE
GRI 403-2 GRI 403-9		Fatalities	Company wide	2 people
GRI 304-1		Total land disturbed	Oil Sands Base Plant and Fort Hills	33,111 cumulative hectares ^(b)
GRI 304-1		Total land reclaimed	Oil Sands Base Plant	2,444 cumulative hectares ^(b)

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

(b) The reported value differs from value disclosed in the Reports, as the Reports include Company Wide values. The scope for each performance indicator has been detailed in this Schedule.

GRI/SASB disclosure index

This Report on Sustainability has been prepared in accordance with:

- The Core option of the **Global Reporting Initiative (GRI)** Standards with additional use of the GRI's Oil and Gas Sector Disclosures. This index describes:
 - which GRI Standards and material topics have been covered in this report
 - where to find additional information in this report, other public disclosures, or omissions
 - standards that have been externally assured.
- The **Sustainability Accounting Standards Board (SASB)** as the most relevant to long-term value creation for the industry we operate in. We value disclosure as a foundational activity for investor engagement and support efforts which seek to drive consistency and comparability of sustainability performance data. Due to the integrated nature of our business, we've elected to refer to several SASB standards including Metals and Mining, Oil & Gas – Exploration & Production, and Oil & Gas – Refining and Logistics. Any values that are classified within the Midstream

categorization will be included within the Refining and Logistics section. We'll continue to evaluate additional SASB metrics for potential disclosure in future reports.

The disclosure index below contains information and additional links that relate to specific content within the 2021 Report on Sustainability and other annual disclosures published by Suncor Energy, which supply useful information for gathering a full understanding of the company.

Legend:

- ROS** – Suncor's 2021 Report on Sustainability
- CR** – Suncor's 2021 Climate Report
- AIF** – Annual Information Form dated Feb. 24, 2021
- MPC** – Suncor's 2021 Management Proxy Circular
- AR** – Suncor's 2020 Annual Report
- CDP Climate** – Suncor's 2021 CDP Climate Change Response
- CDP Water** – Suncor's 2021 CDP Water Security Response

SASB code	GRI code	Description	Response, link or additional information
General			
	102-1	Name of the organization	Suncor Energy Inc.
	102-2	Activities, brands, products, and services	suncor.com
	102-3	Location of headquarters	Calgary, Alberta (Canada)
	102-4	Location of operations	suncor.com
	102-5	Ownership and legal form	AIF (p. 5)
	102-6	Markets served	suncor.com
	102-7	Scale of the organization	suncor.com ROS - Performance data AR (p. 3)
EM-MM-000.B	102-8	Information on employees and other workers	ROS - Performance data
	102-9	Supply chain	ROS - Supply chain
	102-10	Significant changes to the organization and its supply chain	ROS - Performance data AR (pp. 30-33)
	102-11	Precautionary Principle or approach	ROS - Our purpose and strategy CR - Climate strategy
EM-EP-530a.1	102-12	External initiatives	ROS - About our report

GRI/SASB disclosure index

SASB code	GRI code	Description	Response, link or additional information
	102-13	Membership of associations	<p>The following is a list of organizations and trade associations of which we are a member and that may engage in lobbying of governments.</p> <p>\$50K - \$100K</p> <ul style="list-style-type: none"> • Business Council of Canada • Ceres • Colorado Petroleum Association • Denver Metro Chamber of Commerce • Industrial Gas Users Association • Strathcona Industrial Association • Convenience Industry Council <p>>\$100K</p> <ul style="list-style-type: none"> • Canadian Propane Association • Canadian Association of Petroleum Producers • Canadian Fuels Association • Colorado Asphalt Pavement Association • International Association of Oil and Gas Producers • Sarnia & Lambton Environmental Association • World Economic Forum (moved to over 100k) • Mining Association of Canada (MAC) <p>For a listing of the groups that receive funding from the Suncor Energy Foundation, please refer to the Canada Revenue Agency website and search for Suncor.</p> <p>Additional information: ROS - About our report ROS - Performance data</p>
	102-14	Statement from senior decision-maker	ROS - Message from our CEO
	102-15	Key impacts, risks, and opportunities	ROS - Corporate governance ROS - Performance data ROS - Risk management ROS - Our purpose and strategy CR AR (pp. 62-73)
	102-16	Values, principles, standards, and norms of behavior	<p>Our commitment to integrity and ethics is the foundation for our Standards of Business Conduct code and the company policy guidance and standards that reinforce it.</p> <p>Suncor's purpose and values The Way We Do Business Standards of Business Conduct Statement</p>
	102-17	Mechanisms for advice and concerns about ethics	<p>Our commitment to integrity and ethics is the foundation for our Standards of Business Conduct code and the company policy guidance and standards that reinforce it.</p> <p>The Suncor Integrity Hotline is available to any internal or external individual who may want to report concerns, more information can be found on pages 34-35 of The Way We Do Business.</p> <p>Suncor's purpose and values The Way We Do Business Standards of Business Conduct Statement</p>
Governance			
	102-18	Governance structure	ROS - Corporate governance MPC - Schedule B: Corporate Governance Summary and pages 8-13 for detailed information on each board member

GRI/SASB disclosure index

SASB code	GRI code	Description	Response, link or additional information
	102-19	Delegating authority	<p>MPC - Schedule B: Corporate Governance Summary: Risk Oversight (pp. B-9 to B-11)</p> <p>Over the years, 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 created the integrated policy and regulatory issues management (PRIM) process that takes a disciplined approach to managing these issues.</p>
EM-EP-530a.1 EM-RM-530a.1	102-20	Executive-level responsibility for economic, environmental and social topics	<p>MPC - Schedule B: Corporate Governance Summary ROS - Corporate governance</p> <p>We have several senior leadership positions whose roles include sustainability oversight in the organization, including but not limited to:</p> <ul style="list-style-type: none"> • Chief Executive Officer • Chief Sustainability Officer • Vice President, Sustainability
	102-21	Consulting stakeholders on economic, environmental, and social topics	<p>ROS - About our report MPC - Schedule B: Corporate Governance Summary, Stakeholder Communications and Shareholder Engagement</p>
	102-22	Composition of the highest governance body and its committees	<p>AIF - Directors and executive officers (pp. 78-83) MPC - Schedule B: Corporate Governance Summary and pages 8-13 for detailed information on each board member</p>
	102-23	Chair of the highest governance body	<p>MPC - Schedule C: Position description for independent board chair (p. C-1)</p> <p>No chair of any director committee is also an executive within Suncor.</p>
	102-24	Nominating and selecting the highest governance body	<p>MPC - Schedule B: Corporate Governance Summary (pp. B-2 to B-5) MPC - Schedule C: Position description for independent board chair (p. C-1) MPC - Schedule E: Board Terms of Reference (p. E-3 to E-4)</p>
	102-25	Conflicts of interest	<p>MPC - Schedule B: Corporate Governance Summary – Conflicts of Interest (pp. B-17)</p>
	102-26	Role of highest governance body in setting purpose, values, and strategy	<p>MPC - Schedule E: Board Terms of Reference – Part IV: Mandate of the Board of Directors (pp. E-4 to E-5)</p>
	102-27	Collective knowledge of highest governance body	<p>MPC - Schedule B: Corporate Governance Summary – Orientation and Continuing Education (pp. B-14 to B-15) ROS - Corporate governance</p> <p>Additionally, our Board of Directors receives periodic reports from our chief sustainability officer. The Environment, Health, Safety & Sustainable Development committee of the board also receives quarterly updates and stewardship on our priority sustainability issues.</p>
	102-28	Evaluating the highest governance body's performance	<p>The board completes an annual self-evaluation. MPC - Schedule B: Corporate Governance Summary – Annual Evaluation Process (pp. B-6 to B-7)</p> <p>Specific information about topics reviewed and action plans that are developed are confidential and not reported.</p>

GRI/SASB disclosure index

SASB code	GRI code	Description	Response, link or additional information
	102-29	Identifying and managing economic, environmental, and social impacts	The board oversees Suncor's Enterprise Risk Management program. MPC - Schedule B: Corporate Governance Summary – Risk Oversight (pp. B-9 to B-10)
	102-30	Effectiveness of risk management processes	The board oversees Suncor's Enterprise Risk Management program. MPC - Schedule B: Corporate Governance Summary – Risk Oversight (pp. B-9 to B-10)
	102-31	Review of economic, environmental, and social topics	The board oversees Suncor's Enterprise Risk Management program. MPC - Schedule B: Corporate Governance Summary – Risk Oversight (pp. B-9 to B-10)
	102-32	Highest governance body's role in sustainability reporting	Our Executive Leadership Team, including the CEO, review and approve this report before publication.
	102-33	Communicating critical concerns	Issues of concern are elevated through the Strategic Issues Management Process and the Policy and Regulatory Issues Management process to a senior leadership governance body. The Environment, Health, Safety & Sustainable Development committee of the board also reviews the effectiveness to which we achieve objectives pertaining to the environment, health, safety and sustainable development. This committee also receives a quarterly update and stewardship on our priority sustainability issues.
	102-34	Nature and total number of critical concerns	Throughout 2020, key issues remained focused on the climate change and energy transition, personal and process safety, Indigenous relations, ethics, water stewardship, tailings management and innovation. In-depth discussions, goal setting and initiatives to address these issues have been ongoing and will continue to evolve. ROS - About our report
	102-35	Remuneration policies	MPC - Board of Directors Compensation and Executive Compensation, (pp. 17-55)
	102-36	Process for determining remuneration	MPC - Board of Directors Compensation and Executive Compensation, (pp. 17-55)
	102-37	Stakeholders involvement in remuneration	MPC - Advisory Vote on Approach to Executive Compensation (p. 16)
Stakeholder engagement			
	102-40	List of stakeholder groups	Our stakeholders include: <ul style="list-style-type: none"> • Indigenous Peoples • local communities • shareholders • all levels of government • regulators • non-government organizations and environmental groups • community investment partners • business groups • customers and suppliers • employees and leadership • peers and competitors • institutional and socially responsible investors • academics ROS - About our report

GRI/SASB disclosure index

SASB code	GRI code	Description	Response, link or additional information
EM-MM-310a.1	102-41	Percentage of active workforce covered under collective-bargaining agreements	31.8% ROS - Performance data
EM-MM-310a.2		Number and duration of strikes and lockouts	No work stoppages occurred in the reporting year due to strikes or lockouts.
	102-42	Identifying and selecting stakeholders	ROS - About our report
	102-43	Approach to stakeholder engagement	ROS - About our report
	102-44	Key topics and concerns raised	ROS - About our report ROS - Indigenous relations ROS - Personal and process safety ROS - Water stewardship CR

Reporting practices

	102-45	Entities included in the consolidated financial statements	AR (p. 30-32)
	102-46	Defining report content and topic boundaries	ROS - About our report ROS - Performance data
	102-47	List of material topics	ROS - About our report
	102-48	Restatements of information	Re-statements of information and associated justifications provided in earlier reports can be found in the footnotes of the 2021 Report on Sustainability, which support the performance data table.
	102-49	Changes in reporting	Significant changes from previous reporting periods in scope, boundary or measurement methods can be found in the 2021 Report on Sustainability notes supporting our performance data table.
	102-50	Reporting period	Jan. 1 - Dec. 31, 2020 (unless otherwise stated)
	102-51	Date of most recent report	July, 2021
	102-52	Reporting cycle	Annual
	102-53	Contact point for questions regarding the report	1-866-SUNCOR-1 (1-866-786-2671) or email us at sustainability@suncor.com
	102-54	Claims of reporting in accordance with the GRI Standards	ROS - About our report
	102-55	GRI content index	The GRI content index is included in the appendix to Suncor's 2021 Report on Sustainability or is available for download on sustainability.suncor.com
	102-56	External assurance	An independent third- party has provided assurance on selected key performance indicators for our Report on Sustainability. The assurance report and indicators that were reviewed can be found in the appendix to Suncor's 2021 Report on Sustainability or is available for download on sustainability.suncor.com

GRI/SASB disclosure index

SASB code	GRI code	Description	Response, link or additional information
Management approach			
	103-1 103-2 103-3	Management approach for material topics	Our management approach to material sustainability priorities is represented in the following sections of our 2021 Report on Sustainability: <ul style="list-style-type: none"> • CEO message • Ethics • Personal and process safety • Climate change • CR • Water stewardship • Tailings management • Indigenous relations ROS - About our report
Economic			
	201-1	Direct economic value generated and distributed	ROS - Performance data AR
	201-2	Financial implications and other risks and opportunities due to climate change	ROS - Message from our CEO CR CDP Climate - C2
	201-3	Defined benefit plan obligations and other retirement plans	AR (pp. 123-126)
	201-4	Financial assistance received from government	Federal (Canada) and provincial government funding is publicly reported and available through the Office of the Commissioner of Lobbying of Canada. Additional information: ROS - About our report ROS - Performance data
	203-1	Infrastructure investments and services supported	ROS - Community investment ROS - Supply chain ROS - Indigenous relations AR
	203-2	Significant indirect economic impacts	ROS - Community investment ROS - Supply chain ROS - Indigenous relations AR
	204-1	Proportion of spending on local suppliers	ROS - Supply chain ROS - Performance data AR
Anticorruption			
	205-1	Operations assessed for risks related to corruption	Suncor's Standards of Business Conduct AIF (p. 72-73)
EM-EP-510a.2 EM-MM-510a.1	205-2	Description of the management system for prevention of corruption and bribery throughout the value chain	ROS - Risk management Suncor's Standards of Business Conduct Suncor's Supplier Code of Conduct Suncor's Prevention of Improper Payments policy guidance & standard

GRI/SASB disclosure index

SASB code	GRI code	Description	Response, link or additional information
Anticompetitive behaviour			
	206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	<p>Suncor's Standards of Business Conduct Suncor's Supplier Code of Conduct Suncor's Prevention of Improper Payments policy guidance & standard</p> <p>No regulatory enforcement actions were initiated for anti-competitive conduct against Suncor in 2020.</p> <p>Suncor's business code of conduct provides that Suncor shall in the conduct of its business (a) avoid all practices and activities that are a violation of any provision of competition law, and (b) support and encourage the maintenance of a competitive economy.</p>
Greenhouse gas emissions			
EM-EP-110a.1 EM-RM-110a.1 EM-MM-110a.1	305-1	(1) gross global scope 1 emissions (2) percentage methane (3) percentage covered under emission-limiting regulations	<p>19,564,861 tonnes CO₂e 1.3% 100%</p> <p>Provincial and federal emission-limiting regulations were effective in 2020.</p> <p>Additional information: ROS - Performance data CR CDP Climate - (C7)</p>
EM-EP-110a.2 EM-RM-110a.2 EM-MM-110a.2	305-1 OG6	Breakdown of gross global scope 1 emissions: (1) flared hydrocarbons (2) other combustion (3) process emissions (4) other vented emissions (5) fugitive emissions (6) others	<p>19,564,861 tonnes CO₂e 366,050 tonnes CO₂e 15,878,190 tonnes CO₂e 1,355,473 tonnes CO₂e 307,619 tonnes CO₂e 321,690 tonnes CO₂e 1,355,841 tonnes CO₂e</p> <p>Additional information: ROS - Performance data CR CDP Climate - (C7)</p>
	305-2	Scope 2 GHG emissions	<p>1,292,000 tonnes CO₂e</p> <p>Additional information: ROS - Performance data CR CDP Climate - (C7)</p>
	305-3	Scope 3 GHG emissions	<p>122,900,000 tonnes CO₂e</p> <p>Additional information: ROS - Performance data CR CDP Climate - (C7)</p>
	305-4	GHG emissions intensity	<p>66 kg CO₂e/BOE(10.9 g CO₂e/MJ)</p> <p>Additional information: ROS - Performance data CR CDP Climate - (C7)</p>
EM-EP-110a.3 EM-RM-110a.2 EM-MM-110a.2	305-5	Discussion of long-term and short-term strategy or plan to manage scope 1 emissions, emissions reduction targets, and an analysis of performance against those targets	<p>Additional information: ROS - Our purpose and strategy CR CDP Climate - (C7)</p>

GRI/SASB disclosure index

SASB code	GRI code	Description	Response, link or additional information
Air quality			
EM-EP-120a.1 EM-RM-120a.1 EM-MM-120a.1	305-7	Air emissions profile: (1) SO ₂ (2) NO _x (3) VOC (4) PM ₁₀ (5) H ₂ S	21,928 tonnes 33,660 tonnes 22,545 tonnes 2,388 tonnes 41 tonnes Additional information: ROS - Air quality Canadian National Pollutant Release Inventory (NPRI) US Toxic Release Inventory
EM-RM-120a.2		Number of refineries in or near areas of dense populations	Suncor operates four refineries in Edmonton, Alta., Sarnia, Ont., Montreal, Que. and Commerce City, Colo. (USA). Additional information: suncor.com
Energy			
EM-MM-130a.1	302-1 302-2	Energy consumption: (1) total energy consumed (2) percentage grid electricity (3) percentage renewable	320.04 million GJ 1.11% 0.06% Additional information: ROS - Performance data CDP Climate - (C8)
	302-3	Energy intensity	1.07 GJ/BOE Additional information: ROS - Performance data CDP Climate - (C8)
	302-4	Reduction of energy consumption	339,174 GJ Additional information: ROS - Performance data CDP Climate - (C8)
Water			
EM-EP-140a.1 EM-RM-140a.1 EM-MM-140a.1	303-1 303-2 303-3 303-4 303-5	(1) total fresh water withdrawn (2) total fresh water consumed (3) percentage recycled (4) percentage of each in regions with high or extremely high baseline water	68,309 megaliters/yr 31,040 megaliters/yr We calculate site specific average annual water recycling rate. We do not currently operate in water stressed areas. Additional information: ROS - Water stewardship ROS - Performance data CDP Water - (W1)
EM-EP-140a.2	306-1	Water discharges: (1) volume of produced water and flow back generated (2) water discharged (%) (3) water injected (%) (4) water recycled (%)	32,980 megaliters/yr Not reported at this time Not reported at this time Not reported at this time Additional information: ROS - Water stewardship ROS - Performance data CDP Water - (W1)

GRI/SASB disclosure index

SASB code	GRI code	Description	Response, link or additional information
EM-MM-140a.2 EM-RM-140a.2		Number of incidents of non-compliance associated with water quality permits, standards, and regulations	There were no incidents of non-compliance associated with water quality permits, standards and regulations in 2020. Additional information: CDP Water - (W2) ROS - Performance data
	306-5	Water bodies affected by water discharges and/or runoff	CDP Water - (W2) ROS - Water stewardship ROS - Tailings management
Waste			
EM-MM-150a.1		Total weight of tailings waste, percentage recycled	ROS - Tailings management
EM-RM-150a.1	306-2 306-4	Waste by type: (1) hazardous waste generated (2) hazardous waste treatment (3) non-hazardous waste generated (4) recycled, reused, or recovered	1,006 thousand tonnes See breakdown of hazardous waste treatment in the waste section of the ROS performance data. 1,678 thousand tonnes 82 thousand tonnes Additional information: ROS - Performance data
Biodiversity			
EM-EP-160a.1 EM-MM-160a.1		Description of environmental management policies and practices for active sites	ROS - Risk management ROS - Biodiversity Suncor's Environment, Health and Safety Policy
EM-EP-160a.2 EM-MM-160a.4	306-3	Number and aggregate volume of hydrocarbon spills, volume in Arctic, volume impacting shorelines with ESI rankings 8-10, and volume recovered	There were 0 significant spills in 2020. Significant spills reflect unplanned or accidental release of material whose impact off property takes longer than 7 months to remediate, or on property one year or more to remediate or reclaim. These could be into the environment or into a location that does not usually contain the material, as specified by geographical regulation. Additional information: ROS - Performance data
EM-EP-160a.3 EM-MM-160a.3	304-1	Percentage of (1) proved and (2) probable reserves in or near sites with protected conservation status or endangered species habitat	Approximately 50% of Suncor's oil sands lease areas are within or near caribou range boundaries as identified within the Recovery Strategy for the Woodland Caribou, Boreal population (Rangifer tarandus caribou), in Canada (2012). The determination considers that the oil sands comprise 97.2% of the total hydrocarbon reserves in FY 2020 and includes two assumptions: 1. Although boreal caribou range does not strictly meet the considerations described for areas of protected conservation status or endangered species habitat, they should be considered here based on the boreal population of woodland caribou being listed as threatened under Canada's Species at Risk Act (SARA). 2. Proven and probable reserves are distributed evenly across oil sands lease holdings determined to be within or near surface expression of caribou range boundaries.
	304-2	Significant impacts of activities, products, and services on biodiversity	ROS - Performance data ROS - Biodiversity ROS - Land use and reclamation
	304-3	Habitats protected or restored, total land reclaimed	ROS - Land use and reclamation ROS - Performance data

GRI/SASB disclosure index

SASB code	GRI code	Description	Response, link or additional information
	OG4	Biodiversity assessment and monitoring	<p>Notable wildlife observations include the Canadian Toad, a species that May Be at Risk in Alberta, and between 2015 and 2019, five Species at Risk birds documented from reclaimed habitats on Suncor's Base Lease: Barn Swallow, Canada Warbler, Evening Grosbeak, Olive-sided Flycatcher, and Rusty Blackbird; and three Species at Risk birds using reclaimed habitats on the Fort Hills Lease: Canada Warbler, Olive-sided Flycatcher, and Common Nighthawk.</p> <p>ROS - Biodiversity</p>
Employment			
	401-1	New employee hires and employee turnover	ROS - Performance data
	401-3	Parental Leave	ROS - Inclusion and diversity
Diversity and equal opportunity			
	405-1	Diversity of governance bodies and employees	<p>ROS - Inclusion and diversity</p> <p>ROS - Performance data</p> <p>ROS - Corporate governance</p> <p>MPC - Schedule B – Inclusion and Diversity (pp. B-3 to B-5)</p>
	405-2	Ratio of basic salary and remuneration of women to men	ROS - Performance data
Rights of Indigenous Peoples			
EM-EP-210a.3 EM-MM-210a.3	411-1	Discussion of engagement processes and due diligence practices with respect to human rights, Indigenous rights, and operation in areas of conflict	<p>In 2020, Suncor did not have any formal grievances reported regarding incidents of violations involving Indigenous Peoples. Suncor works with Indigenous communities to address issues and concerns related to the environmental and social impacts associated with our operations.</p> <p>Additional information: ROS - Indigenous relations ROS - Human rights Suncor's Canadian Aboriginal Rights Policy Suncor's Human Rights Policy</p>
Community relations			
EM-EP-210b.1 EM-MM-210b.1	413-1	Discussion of process to manage risks and opportunities associated with community rights and interests	ROS - Indigenous relations
Public policy			
	415-1	Political contributions	<p>As of June 1, 2016, Suncor no longer makes political contributions as a matter of policy.</p> <p>ROS - Performance data</p>
Compliance			
	307-1	Non-compliance with environmental laws and regulations	ROS - Performance data
	419-1	Non-compliance with laws and regulations in the social and economic area	No material fines or non-monetary sanctions were levied on Suncor in 2020 for non-compliance with laws and regulations.

GRI/SASB disclosure index

SASB code	GRI code	Description	Response, link or additional information
Occupational health & safety			
EM-EP-320a.1 EM-RM-320a.1 EM-MM-320a.1	403-9	(1) total recordable incident rate(TRIR) (2) fatality rate (3) near miss frequency rate (4) average hours of health, safety, and emergency response training for (a) full-time (b) contract, and (c) short-service employees	0.32 per 200,000 hours worked 0.0057 per 200,000 hours worked 9.28 per 200,000 hours worked Not reported at this time Additional information: ROS - Personal and process safety ROS - Performance data
EM-EP-320a.2 EM-RM-320a.2	403-4	Discussion of management systems used to integrate a culture of safety throughout the exploration and production lifecycle	ROS - Personal and process safety Suncor's Journey to Zero
	403-1	Workers representation in formal joint management-worker health and safety committees	Suncor's workforce at Oil Sands, In Situ, Exploration & Production and Refining and Logistics that include operations are represented in formal joint management worker health and safety committees. These committees address health and safety concerns and provide guidance on required next steps. Additional information: ROS - Personal and process safety
EM-EP-540a.1 EM-RM-540a.1	OG13	Process Safety Events (PSE) rates for Loss of Primary Containment (LOPC) of greater consequence (Tier 1) and lesser consequence (Tier 2)	38 events of loss of primary containment (Tier 1 and 2) ROS - Personal and process safety ROS - Performance data
Oil and gas specific metrics			
EM-EP-420a.3	OG2	Amount invested in renewable energy, revenue generated by renewable energy sales	The total capital invested in renewable energy was \$4.44 million CAD, with a total offset value of \$650 thousand CAD generated. These figures reflect Suncor's tracking of wind offsets across its enterprise, and the subsequent value brought forth through GHG-offset related revenue. Additional information: CR
EM-EP-420a.4		Discussion of how price and demand for hydrocarbons and/or climate regulation influences the capital expenditure strategy for exploration, acquisition, and development of assets	CR
EM-MD-540a.1		Number of reportable pipeline incidents, percentage significant	0 reportable; 0% significant
EM-MD-540a.2		Percentage of (1) natural gas and (2) hazardous liquid pipelines inspected	0% 44% Suncor's licensed pipelines in Alberta comply with strict integrity practices in accordance with Alberta Energy Regulator (AER) and the Canadian Standards Association national standard (CSAZ662 - Oil and Gas Pipeline Systems). As part of its Integrity Management Program, Suncor completes extensive inspections on its pipelines on a regular basis to ensure safe and reliable operation. These inspections include aerial patrols, water crossing and slope monitoring, in-line inspections for corrosion and other anomalies and pipe excavations for examination and repair when necessary.

GRI/SASB disclosure index

SASB code	GRI code	Description	Response, link or additional information
EM-EP-000.A	OG1	Production of: (1) oil (2) natural gas (3) synthetic oil (4) synthetic gas	Total upstream and downstream net production in 2020 was 299.02 million BOE Additional information: ROS - Performance data
EM-EP-000.B		Number of offshore sites	suncor.com AR (pp. 20-24)
EM-EP-000.C		Number of terrestrial sites	suncor.com AR (pp. 20-24)
EM-RM-000.A		Refining throughput of crude oil and other feedstocks	Downstream (Refining and Logistics) net production in 2020 was 158.81 million BOE Additional information: ROS - Performance data
EM-RM-000.B		Refining operating capacity	Suncor operates four refineries. Operating capacities are in barrels per day: • Edmonton, Alta.: 142,000 • Montreal, Que.: 137,000 • Commerce City, Colo.: 98,000 • Sarnia, Ont.: 85,000 AR (pp. 30-31)
	OG3	Renewable energy generation	ROS - Performance data
	OG5	Formation or produced water	ROS - Performance data
	OG7	Drilling waste	ROS - Performance data
	OG8	Fuel content	ROS - Performance data

UN Sustainable Development Goals (SDGs)

Suncor supports the United Nations Sustainable Development Goals and shares the view that businesses have a key role to play in the implementation of these goals.

The SDGs define global development priorities for 2030. They address the global challenges including those related to poverty, inequality, climate, environmental degradation, prosperity, and peace and justice, and reflect an integrated conversation on sustainability. The objective is for businesses, governments and civil society to co-operate and collaborate on a defined set of targets to drive meaningful change.

We recognize Suncor's business activities can have both a positive and a negative impact on the SDGs. Through our initiatives and activities our work contributes to all 17 goals. We have prioritized Suncor's focus areas for specific SDGs and have highlighted our contributions in action:

Goal 5: Gender Equality – Achieve gender equality and empower women and girls:

- inclusion and diversity strategies and action plans across the company
- unconscious bias training to provide learning opportunities to eliminate bias and increase cultural competency
- workshops with involvement from employees and leaders across Suncor to ensure employee voices are heard.

Goal 6: Clean water and sanitation – Ensure availability and sustainable management of water and sanitation for all:

- partnering with Canada's Oil Sands Innovation Alliance (COSIA) to achieve the COSIA water goals, and to generate water-related technologies and innovative ideas targeting efficiency improvements across the oil and gas industry
- convened under COSIA, Suncor and the WTDC partners, Canadian Natural, Cenovus Energy Inc. (through its subsidiary Husky Oil Operations Ltd.) and CNOOC International developed the \$140 million Water Technology Development Centre, a first-of-its-kind demonstration site for oil sands project partner companies to test water treatment technologies at a commercial scale
- Suncor participates in the Athabasca Watershed Council, a multi-stakeholder, not-for-profit watershed planning and advisory council that evaluates changes to the Athabasca watershed over time and works to advise on potential policy and management actions
- implementation of water efficiency and treatment programs at our refineries.

Goal 7: Affordable and clean energy – Ensure access to affordable, reliable, sustainable and modern energy for all:

- advancing a portfolio of technologies to lower the carbon intensity of producing bitumen, including carbon capture, and improve cost competitiveness
- our renewable power portfolio, including a partnership with Aamjiwnaang First Nation in the Adelaide Wind Power Project near Sarnia, Ont.
- using cogeneration, a carbon-efficient form of baseload power generation at our oil sands facilities, and exporting excess low-carbon electricity to the Alberta provincial grid
- investing in renewable liquid fuels, including the largest ethanol facility in Canada and investments in biofuel technologies.

Goal 8: Decent work and economic growth – Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all:

- partnering with companies and organizations such as Evok Innovations, COSIA, and Clean Resource Innovations Network (CRIN) to promote and support the growing ecosystem of entrepreneurship focused on clean energy research and technology solutions
- advancing Suncor's Journey of Reconciliation, previously the social goal, to partner with Indigenous businesses and communities, including:
 - an equity partnership in the East Tank Farm Development with Mikisew Cree First Nation and Fort McKay First Nation in northern Alberta. The East Tank Farm Development agreement was chosen as a best practice example for the Sustainable Development Goals Emerging Practice Guide by the Canadian network of the United Nations Global Compact, Global Compact Network Canada
 - an equity partnership in PetroNor, a distributor of petroleum products owned and operated by the James Bay Cree First Nation in Quebec.

UN Sustainable Development Goals (SDG)

Goal 9: Industry, innovation and infrastructure – Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation:

- being a founding member of CRIN, an organization which focuses on creating connections for our resource sector, to advance technologies for use in Canada and global markets
- participating in Energy Futures Lab, a multi-stakeholder platform committed to inspiring alignment and connectivity across sectors, while bridging ideas, people and resources in a way that helps refine and develop solutions for our energy future
- making an equity investment in carbon capture technology company Svante to develop technology to capture CO₂ from heavy-emitting industries like cement, steel, and oil and gas production at a lower cost than current methods.

Goal 12: Responsible consumption and production – Ensure sustainable consumption and production patterns:

- developing a supply chain sustainability strategy to accelerate progress on the environmental and social impacts of our procurement decisions
- making investments in businesses such as Enerkem, a waste-to-renewable fuels and chemicals technology developer and producer
- partnering in the creation of the Varennes Carbon Recycling facility, operational in 2023, which will convert non-recyclable commercial and industrial waste, as well as forestry waste to bio-fuels and renewable chemicals
- launching Canada's first coast-to-coast electric charging network through Petro-Canada™.

Goal 13: Climate action – Take urgent action to combat climate change and its impacts:

- actively working to reduce the carbon footprint of our base business while investing in new low-GHG forms of energy, consumer products and services
- understanding and reporting on carbon risk and resiliency, and being a signatory to the Task Force on Climate-related Financial Disclosures (TCFD)
- partnering with industry to launch the Alberta Carbon Conversion Technology Centre to test carbon capture, and conversion technologies alongside other researchers and innovators. The facility was used for the NRG COSIA Carbon XPRIZE.

Our approach to sustainability continues to contribute directly and indirectly to the UN 2030 agenda. We look for partnership opportunities to deliver change at scale. We are committed to supporting a number of aligned initiatives, including:

- The UN Global Compact's 10 principles. Our commitment to and implementation of the principles are integrated throughout this report.
- The ambition of the Paris Climate Agreement and contributing to development of low-carbon policies, such as the Pan-Canadian Framework on Clean Growth and Climate Change.
- The Truth and Reconciliation Commission's Call to Action for the corporate sector to adopt United Nations Declaration on the Rights of Indigenous Peoples as a reconciliation framework for its relationship with the Indigenous Peoples in Canada.

UNGC communications report

Suncor joined the UNGC in 2001; we have integrated our commitment and implementation of the United Nations Global Compact (UNGC) principles throughout the report, and have provided corresponding linkages to principles addressed in the table below.

Principles	Progress
<p>1 Businesses should support and respect the protection of internationally proclaimed human rights</p> <p>2 Business should make sure that they are not complicit in human right abuses</p>	<p>Suncor has a corporate responsibility to respect human rights and to ensure we are not complicit in human rights abuses. We seek to avoid infringing on the rights of others and strive to remedy harms that occur as a result of our activities. Suncor's commitment to respecting human rights is based on the Universal Declaration of Human Rights and is informed by the international law and standards.</p> <p>We are guided by the following published policies and standards: Standards of Business Conduct, Human Rights Policy, Stakeholder Relations Policy, Canadian Aboriginal Relations Policy and our Report on Sustainability. These documents explicitly cover the basic rules, standards and behaviours that all employees, contractors, suppliers and business partners must follow. We are committed to training and communicating our approach to human rights as part of the implementation of these policies.</p> <p>The President and Chief Executive Officer of Suncor is accountable to the Board of Directors for ensuring policies are effectively implemented. All Suncor employees engaged in activities under Suncor's operational control are responsible for the application of this policy.</p> <p>We encourage employees to raise concerns about suspected violations of our business conduct code without fear of reprisal with these teams/departments:</p> <ul style="list-style-type: none"> • Management • Legal – compliance • Corporate Security • Human Resources • Internal Audit <p>In addition, we have established an integrity hotline that is available 24/7 to employees, contractors and the public. All reports are taken seriously and investigated by our Corporate Security or Human Resources teams. The audit committee receives regular updates on Integrity Hotline activities. As per the code, the Vice President responsible for internal audit is charged with maintaining the Integrity Hotline and ensuring all alleged code violations are thoroughly investigated.</p>
<p>3 Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining</p> <p>4 The elimination of all forms of forced and compulsory labour</p> <p>5 The effective abolition of child labour</p> <p>6 The elimination of discrimination in respect of employment and occupation</p>	<p>Federal labour standards are established under Part III of the Canada Labour Code, which sets out minimum standards that federally regulated employers and employees must follow. Suncor's commitment to providing an environment free from harassment, violence, intimidation and other disruptive behaviours is outlined in Suncor's Harassment and Violence Free Working Environment Policy.</p> <p>As stated in Suncor's Human Rights Policy, Suncor's employment policies adhere to all applicable domestic laws and honour internationally accepted labour standards, including those concerning freedom of association and collective bargaining, non-discrimination, forced labour, and underage workers in the workplace. A process for human rights impact assessment, undertaken regularly, is essential to identify, prevent, mitigate and remedy our potential impacts on human rights.</p> <p>Based on the published document The Way We Do Business, no matter where we operate in the world, Suncor is committed to ensuring our business dealings are fair, honest and ethical. That means holding everyone who works with us accountable for always conducting business free of corruption. All the countries where Suncor operates have anti-corruption laws that make it illegal to offer a payment, gift or other benefit to a public official or private party to improperly obtain favourable treatment.</p> <p>Suncor's Supplier Code of Conduct addresses topics such as safety, human rights, harassment, bribery and corruption, and confidential information, among others. It also reinforces our commitment to sustainable development and encourages our business associates to work with us to seek ways to reduce environmental impacts, support the communities in which we work and collectively achieve economic growth. Compliance with the supplier code of conduct is a standard term of all Suncor supply chain contracts.</p> <p>Suncor is a large organization with operations across different geographies and a workforce comprised of diverse demographics and ethnicities. By listening to our employees, we are challenging assumptions, understanding barriers and being honest with one another as we continue to create a great place to work for everyone. Our Equal Opportunity & Inclusion Policy and supporting Respectful Workplace Standard demonstrates our commitment to inclusion, equity and diversity.</p> <p>Suncor is a member of the Mining Association of Canada and annually reports performance on the Towards Sustainable Mining (TSM) protocols, including Preventing Child and Forced Labour.</p>

Principles	Progress
<p>7 Businesses should support a precautionary approach to environmental challenges</p> <p>8 Businesses should undertake initiatives to promote greater environmental responsibility</p> <p>9 Businesses should encourage the development and diffusion of environmentally friendly technologies</p>	<p>Our purpose is to provide trusted energy that enhances people's lives, while caring for each other and the Earth.</p> <p>Suncor uses a risk-management and sustainability-driven approach to anticipate, prevent and mitigate harm to health, safety or the environment as stated in our Environment, Health & Safety Policy. Suncor proactively identifies and implements opportunities to:</p> <ul style="list-style-type: none"> • develop energy in a way that enhances economic prosperity, promotes social well-being and preserves a healthy environment • conserve energy • reduce water use • reduce air emissions • minimize land disturbance and accelerate reclamation • reduce waste • leverage a life-cycle approach • pursue technology improvements. <p>We are working to reduce the impact of our operations through scientific research and best management practices, while also partnering with peers to reduce the cumulative effects of development.</p> <p>We share in the global challenge to address climate change by harnessing technology and innovation to set us on a pathway to a low-carbon energy system. To become a net zero GHG emissions company by 2050, we are working to reduce our emissions by continuing to drive operational efficiency improvements while accelerating the adoption of new technology. We are measuring our progress toward a target of 10 Mt annual emission reductions across our value chain by 2030. Suncor leads or participates in many technology studies and joint industry projects through Canada's Oil Sands Innovation Alliance (COSIA), an alliance of companies representing 90% of oil sands production. By focusing on the environmental areas of greenhouse gases, 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.</p> <p>Through our Supplier Code of Conduct, we are clear that we expect our business partners to be aligned with our sustainable development approach and that we will work together to seek ways to reduce environmental impacts, support the communities in which we work, and collectively contribute to economic growth.</p>
<p>10 Businesses should work against corruption in all its forms, including extortion</p>	<p>Our Standards of Business Conduct Statement outlines that employees and contractors are to never offer or accept any type of improper payment, including bribes, kickbacks or facilitating payments. Also, to never make political or charitable donations on Suncor's behalf outside of our corporate donation processes.</p> <p>Suncor's Prevention of Improper Payments Policy states explicitly that Suncor personnel are prohibited from committing or using corporate funds, facilities or assets directly or indirectly for any illegal or improper purposes, including but not limited to bribery, kickbacks, or diversion to separate funds or companies for personal use or for the purpose of disguising such payments.</p> <p>Through the published document The Way We Do Business – Working With Suncor, an extension of Suncor's Standards of Business Conduct, it is outlined and no matter where we operate in the world, we are committed to ensuring that our business dealings are fair, honest and ethical.</p>

Advisories

Forward-looking statements

Suncor's 2021 Report on Sustainability contains certain forward-looking statements and forward-looking information (collectively, "forward-looking statements") within the meaning of applicable Canadian and U.S. securities laws. Forward-looking statements in Suncor's 2021 Report on Sustainability include references to: The expectation that Suncor will be a net-zero 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 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 our 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 by three integrated pathways: reducing our emissions from our base business through energy efficiency improvements, fuel switching and carbon capture and storage; expanding lines of business in low emissions power, renewable fuels and hydrogen; and engaging with our customers and other stakeholders on emissions reductions; the expectation that initiatives like the Oil Sands Base Plant coke-boiler replacement will deliver 800 megawatts of low-carbon electricity and allow for millions of tonnes of GHG emissions reductions annually; 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-greenhouse gas (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; that Suncor is implementing an air monitoring program for Commerce City and the north Denver area; 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 monitor the status of the basis go 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 its first regional test with external stakeholders in the fall of 2022; the expectation that the final steps with the Government of Alberta for reclamation certificates are planned for the summer of 2021 and once approved, the land will be returned to the Crown; the expectation that seedlings intended for 2020 reclamation work will be planted in 2021; that Suncor is committed to preserving and

Advisories

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 value; that we are working to unleash the full potential of our people and achieve Great Place to Work certification, an indicator of a more inclusive, trust-based company; that we are working to build a more inclusive workplace and develop the skills to appropriate engage with Indigenous Peoples; that we hope to provide a more complete picture of the impact and the progress we're making with respect to the social goal to the Journey of Reconciliation; the expectation that Suncor is putting more focus on what we're learning and sharing those experiences through storytelling, 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; the Driving Innovation and Reducing Barriers goal of supporting initiatives aimed at removing or reducing barriers for students and community members who wish to participate in post-secondary initiatives; 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 well-positioned to be a sustainable energy company for years to come; 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 re 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; and the belief in in engaging our employees and building a culture where feedback is encouraged.

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 performance of assets and equipment; capital efficiencies and cost-savings; applicable laws and government policies, future production 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 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. 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

Advisories

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; risks associated with land claims and Aboriginal consultation requirements; 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 2021 dated May 3, 2021 and its Annual Information Form, Form 40-F and Annual Report to Shareholders, each dated February 24, 2021, 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.

Reclamation and revegetation plans

Reclamation 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 which 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 to six thousand cubic feet. 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

Advisories

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 2020 Report on Sustainability does not necessarily mean a partnership in the legal context.

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