



SUNCOR ANNUAL MEETING

May 4, 2021

10:30 a.m. MDT

Michael Wilson: Good morning, ladies and gentlemen. It's 10:30 am Mountain Time, and I'm calling the meeting to order. My name is Michael Wilson and I'm the Chair of the Suncor Energy Inc. board. In light of COVID-19 and Suncor's continued purpose to care for each other, we're hosting this year's annual meeting virtually. It's accessible to our shareholders regardless of physical location and allows them to participate, submit questions, and vote.

I'd like to introduce Suncor's senior leaders in attendance. We have Mark Little, our President and Chief Executive Officer; Alister Cowan, Chief Financial Officer; and Arlene Strom, Chief Legal Officer and Corporate Secretary. On behalf of Suncor's directors and management, it's my pleasure to welcome you to Suncor's 2021 Annual Meeting of Shareholders. I'd now like to turn it over to Arlene Strom for a traditional land acknowledgement.

Arlene Strom: Thank you, Mike. As you may know, many of Suncor's operations are located on the traditional lands of indigenous peoples. Together, we are on a journey of reconciliation. Guided by Treaty Rights, the Constitution, the United Nations Declaration on the Rights of Indigenous Peoples, the recommendations from the Truth and Reconciliation Commission, and our own purpose and values, we are looking to find ways to build meaningful, long-term, and mutually beneficial relationships, based on trust and respect.

We acknowledge that Suncor's corporate office is located on the traditional territories of the people of the Treaty 7 region in Southern Alberta. They include the peoples of the Blackfoot Confederacy, the Siksika, the Kainai and the Piikani First Nations, as well as the Tsuut'ina and the Stoney/Nakoda First Nations. The City of Calgary is also home to Metis Nation of Alberta Region 3.



We believe observing and acknowledging the territory of Indigenous Peoples in meetings like our annual meeting is a small but important way to show respect for Indigenous peoples and reflect on the significance for Suncor's operations. We are all bound together through our connections with each other and the earth and its environment.

In Alberta, where Treaties 4, 6, 7, 8 and 10 cover the province, we are all treaty people. At Suncor, we seek to walk side by side with Indigenous peoples and to remember that we are united in seeking a better world for our children, our grandchildren, and the generations beyond.

Michael Wilson: Thank you, Arlene. Before we begin the formal business, I'd like to explain how the voting and questions will work for this meeting. This online meeting is accessible to registered shareholders, proxy holders, and guests. However, only registered shareholders and proxy voters can participate in the meeting, including asking questions. We'll conduct the voting via virtual poll.

Every eligible shareholder has one vote per share that can be voted on each matter. The poll will be opened for all resolutions at the same time. This will allow you to choose to vote on each resolution immediately or wait until discussions conclude on each resolution prior to casting your vote. There'll be an opportunity to ask questions on each resolution as we move through the agenda.

Once the items of business have been presented, you'll have additional time to enter your votes before the voting is declared closed for all resolutions. If you have any general questions, you may submit them online and they'll be addressed at the question-and-answer period at the end of the meeting.

There are several matters on our agenda this morning. To move things efficiently and to limit the number of people participating in person here, in accordance with health official guidance, two of our shareholders have agreed to make and second all formal motions.



We'll now proceed with the business of the annual meeting, starting with the appointment of scrutineers. Computershare Trust Company of Canada is the transfer agent and registrar of the company, and is represented today by Chris Parsons. If there's no objection, I will appoint him to act as scrutineer for this meeting, to report on the numbers and percentage of shares represented at this meeting, and to record and report on the votes cast on any poll that may be taken.

You've all received the notice calling the meeting to order. I'll now ask Arlene Strom to report on the mailing of the notice.

Arlene Strom: The notice calling this meeting was mailed on March 19, 2021 to all shareholders of record as of the close of business on March 8, 2021, and has been provided to each director and to the auditors of the company.

Michael Wilson: A copy of the notice and proof of mailing will be filed with the minutes of the meeting. I'm advised that the scrutineer's report has been completed and a quorum is present. Arlene, can you please read the scrutineer's report?

Arlene Strom: I can confirm that 701 shareholders are represented by proxy, holding 1,046,137,209 shares or 68.83% of the outstanding shares.

Michael Wilson: I declare the meeting regularly called and properly constituted for the transaction of business.

The 2020 Annual Report, which includes the financial statements for the year ended December 31, 2020 and the Auditor's Report has been tabled and is accessible in the Documents tab on today's meeting platform. The Annual Report was mailed to shareholders requesting the report. We'd be happy to answer any questions concerning the Annual Report during the question-and-answer session following the formal part of the meeting.

We'll now move to the matters to be voted upon. I now declare the polls are open on all resolutions.



The first item of business to be voted upon is the election of directors. As you can see, we have one director, Mel Benson, who's retiring from the board after more than 20 years of service. We had an opportunity to recognize Mel's service at a recent meeting, but I'd like to take this moment to publicly acknowledge Mel for his incredible service to our board.

Mel was the first and longest-serving Indigenous member of any TSX-listed company. He's been a mentor, adviser, colleague and friend throughout our journey and helped strengthen our relationship with Indigenous peoples. On behalf of the board, congratulations and thank you, Mel, for your lasting contribution. You will be missed.

Suncor's bylaws state that the number of directors to be elected at any meeting of shareholders should be the number of directors then in office, or such other number as has been determined by the board. The board has determined 11 directors will be elected at this meeting. Of the 11 directors nominated, 10 are independent and one, Mark Little, is a member of management.

Their backgrounds and experience are described in Suncor's circular for this meeting. The circular is also accessible in the Documents tab on today's meeting platform.

May I have a motion to nominate for election to the board of directors those candidates named in Suncor's circular for this meeting?

Joel Thompson: Good morning. My name is Joel Thompson, and I'm a Suncor shareholder. I move to nominate the following candidates for election as directors: Patricia M. Bedient, John D. Gass, Russell Girling, Jean Paul Gladu, Dennis M. Houston, Mark S. Little, Brian P. MacDonald, Maureen McCaw, Lorraine Mitchelmore, Eira M. Thomas, Michael M. Wilson.

Michael Wilson: Thank you, Joel. Can we have a seconder to the motion?



Shawn Poirier: My name is Shawn Poirier and I'm a Suncor shareholder. I second the motion.

Michael Wilson: Thank you, Shawn. I declare the nominations closed. Eleven directors are to be elected at this meeting and 11 persons have been nominated. I'll pause now to see if there are any questions. If there are no questions, Arlene, will you give additional instructions on the voting procedure?

Arlene Strom: On this vote, all shares for which proxies in favor of management have been received will be voted in accordance with those instructions. The 11 nominees named in the management proxy circular are listed on your screen. To vote or withhold from voting for each director, please complete the ballot by clicking either For or Withhold in the appropriate spot beside the name of each nominee.

Michael Wilson: Please cast your votes on the appointment of directors. Again, you may submit your vote on this item now or wait until the end of all motions before submitting them at the same time. We'll proceed to the next item on the agenda.

The next item of business is the appointment of auditors. Management has proposed that KPMG LLP be appointed as the company's auditors. These auditors are appointed by shareholders. I ask for a motion appointing KPMG LLP as auditors.

Joel Thompson: My name is Joel Thompson. I move that KPMG LLP be appointed auditors of Suncor Energy Inc., to hold office until the next annual meeting of shareholders or until a successor is appointed.

Michael Wilson: Thank you. Can we have a seconder to the motion?

Shawn Poirier: My name is Shawn Poirier, and I second the motion.



Michael Wilson: Thank you. Any questions? If there are no questions, please cast your votes on the appointment of auditors.

We will now proceed to the next item on the agenda. The next item of business is the resolution to approve an amendment to Suncor Energy Inc.'s stock option plan, to increase the number of common shares reserved for issuance thereunder by 15 million common shares, as described in the management proxy circular.

As noted in the circular, the purpose of the additional reservation is to ensure that a sufficient number of common shares remain reserved for issuance under the option plan to enable the company to continue its current practice of granting options to eligible plan participants as a component of Suncor's long-term incentive program.

May I now ask that a motion be made?

Joel Thompson: My name is Joel Thompson. I move that the resolution respecting the increase in the number of common shares reserved for issuance pursuant to the Suncor Energy Inc. stock option plan by an additional 15 million common shares, as set forth on Page 15 of the management proxy circular of Suncor Energy Inc., be approved.

Michael Wilson: Thank you. May we now have a seconder to the motion?

Shawn Poirier: My name is Shawn Poirier, and I second the motion.

Michael Wilson: Thank you. Any questions? We've received proxies representing a total of over 90% of the votes cast on this motion, which direct that they may be voted in favor of the resolution. If there are no further questions, please cast your votes on the increase in the number of common shares reserved for issuance pursuant to the Suncor Energy Inc. common stock option plan.

We will now proceed to the next item on the agenda. The next item of business is the advisory vote on our approach to executive compensation. These types of advisory votes are often called "stay on pay" resolutions. The results are considered non-binding but allow shareholders to ensure their views are made known to the board.

As noted in the circular, in considering the company's approach to compensation in the future, the board will take into account the results of the vote, together with any feedback it receives from shareholders in the course of the board's engagement activities.

The form of motion set out in the circular follows the recommended best practice of the Canadian Coalition for Good Governance. I now ask that the motion be made.

Joel Thompson: My name is Joel Thompson, and I move on an advisory basis and not to diminish the role and responsibilities of the board of directors, that the shareholders accept the approach to executive compensation disclosed in the management proxy circular of Suncor Energy Inc. delivered in advance of its 2021 annual meeting of shareholders.

Michael Wilson: Thank you, Joel. Can we have a seconder for the motion?

Shawn Poirier: My name is Shawn Poirier, and I second the motion.

Michael Wilson: Thank you, Shawn. You've heard the motion. Are there any questions or comments?

We've received proxies representing a total of over 93% of the votes cast on this motion, which direct that they be voted in favor of our approach to executive compensation. If there are no further question, please cast your votes on our approach to executive compensation.



For those of you who have not voted on all the resolutions, please do so now as we will shortly close the poll. It is currently 12 minutes before 11:00. I'll close the polls on all resolutions in another minute, to allow votes to be cast.

The polls are now closed. We'll move on to other business while the results are being calculated.

I'd like to turn the meeting over to Mark Little, Suncor's President, Chief Executive Officer, and Alister Cowan, Suncor's Chief Financial Officer.

Mark Little: Thanks, Mike, and good morning everybody. Before I get into my remarks, I just wanted to pick up on the comments Mike made about Mel Benson.

Mel has actually had a significant impact on me professionally and personally. And Mel and I actually go back over three decades to the start of my career in the energy industry at Imperial Oil. Mel has always been a huge champion and a mentor and support. It's been a great privilege to have had him as an adviser and a guide, especially in relation to Indigenous engagement in the energy industry, an area of particular passion for me.

And as Mike mentioned, when Mel, a member of the Beaver Lake Cree Nation, joined Suncor's board in 2000, he was the first and only Indigenous board member for a TSX listed company. Mel, with my deepest gratitude, thank you for your leadership and for your 21 years of service on Suncor's board, and for your patience and thoughtful advice and guidance to me throughout my career. I know many others in the industry and in our country feel the same way.

Kinanâskomitin, hai hai, and merci, my friend.

Well, here we are at our second virtual annual meeting, a reflection that working remotely and as safely as possible in person has been and continues to be the reality. I hope everyone has been safe and well, and I'll take a moment to recognize the dedicated health care personnel and essential



workers across all industries, including the great people in the energy industry. All of these folks are doing an amazing job to help us stay healthy and safe, making sure we have the energy our society relies on, so that our communities can have access to the vital goods and services we've needed to keep moving forward.

A lot has changed since I made my remarks last year, including another wave of COVID infections that is proving to have a much larger impact across the globe and in our communities. Economies like the U.K. and the U.S. show the positive effect of vaccines, which were developed and approved in record time, providing some light at the end of the tunnel. Their rollout will lead to helping economies recover and corresponding increase in demand for energy. We are already seeing some of these benefits.

To set the agenda for my remarks today, I'll highlight Suncor's focus and actions in 2020. Alister will speak to the financial performance of the company and then I will conclude with our view of the path forward.

Looking back on the year that was, what's clear is that at times, it's been times of adversity for Suncor, and yet we've risen to meet the challenge. And in fact, the flexibility of our integrated business model and the steps we took to preserve the financial health of the company set the foundation for us to emerge stronger. Our anchor throughout the turbulent waters of 2020 was and continues to be Suncor's purpose - to provide trusted energy that enhances people's lives while caring for each other and the earth.

Our ability to provide trusted energy that enhances people's lives hinges on strong operational performance. While we've had our challenges, we've made and are continuing to make some changes to address them. And we're starting to see the results, exiting the year with strong operational momentum, which continued into the first quarter.

Within the last 12 months, we increased the nameplate capacity at Firebag and our Edmonton refinery. We commissioned the interconnecting pipeline



between Syncrude and Suncor. And we completed the expansion at our Burrard Products Terminal. These investments have provided improved reliability, enhanced production, and created additional operational flexibility so that we can maximize the value of every barrel that's produced.

We're seeing the results now in our performance. In the last six months, upgrader utilization was the highest in Suncor and Syncrude's history. Our refinery utilization has significantly outperformed the North American average. Firebag has set all-time production record in the first quarter of 2021.

Our downstream business continues to perform strongly, particularly in comparison to other Canadian and North American refiners. In 2020, our Canadian refinery utilization was 91%, 15% higher than the Canadian average, demonstrating the benefit of our physically integrated model with the upstream and our wholesale and retail refined product business.

Through it all we've stayed true to our purpose of caring for each other and the earth as we navigated some of the most pressing global health, social and environmental issues of our time like COVID-19, racism, and climate change.

Caring for each other took on additional meaning in the face of the pandemic as we implemented new protocols and practices to care for our physical and mental health and keep our integrated operations running. Our work on this front continues to evolve and is being challenged by the third wave, which we continue to manage by adding layers of protection to keep people safe and adjusting our work plans.

For example, we are running a rapid testing program for essential workers across many of our facilities. These tests can detect COVID-19 in asymptomatic individuals in a matter of minutes. This means we can quickly identify at-risk cases and isolate these individuals from the rest of the workforce. This not only supports safer operations by reducing the risk of



further COVID-19 spread, but it also takes some of the load off the health authorities as we perform these tests directly with our own workforce.

We've also extended this rapid testing support to communities like Fort McKay First Nation, so that they can do the same. And in fact, there's now a playbook that outlines how an organization, regardless of size or industry, can set up their own rapid testing program, which we're almost certain to need in the journey forward.

This program and playbook are a direct result of our collaboration with over a dozen Canadian companies with large workforces through the Creative Destruction Lab Rapid Screening Consortium. It's a shining example of how multisector collaborations, including governments, can work together on public interest objectives to develop a cost-effective solution for keeping people safe and reopening the economy.

In 2020 we also lived our purpose to care for each other through the launch of the Petro-Canada CareMakers Foundation, bringing awareness and support to the more than 8 million family caregivers in Canada from coast to coast.

Within Suncor, we're working to build an inclusive and respectful workplace. Events in 2020 cast greater light on racial injustice and inequity issues and the need for social change. We've worked with thousands of our employees to talk through these issues and we've made progress on our commitment to inclusion and diversity throughout our organization. By supporting the launch of employee-led inclusion networks, enhancing our education programs to address unconscious bias, and implementing more inclusive parental leave policies, we know there's more work to do and we're committed to listen and better understand and to learn and support.

Caring for the earth means we continue our two-pronged approach of investing in sustainability projects that reduce the environmental footprint and improve the energy efficiency of our operations, while advancing low-

emission solutions aligned with our core business. This includes the restart of our cogeneration project at Oil Sands Base and our Forty Mile wind project, helping to produce sustainable aviation fuel through our investment in LanzaJet, turning household garbage and waste into fuel through our partnership with Enerkem, and our recently announced investment in Svante, a Canadian carbon capture company.

If we're going to change the climate trajectory of the globe, it's critical that we work together, within our industry, across sectors and governments, and invest in technologies like carbon capture utilization and storage. This is a tremendous opportunity for Canadians.

What's also clear is that our climate commitments, further innovations, and energy expansion investments will depend on a strong base business to support them. And with that, I'll turn the call over to Alister to speak to the financial performance of the company.

Alister Cowan: Thanks, Mark. The challenge of 2020 demonstrated the importance of financial resiliency, ensuring that we have a low cost structure, a strong and healthy balance sheet, and access to liquidity. We took some hard actions last year to respond to what I would characterize as a double black swan event. Never in our history had we faced the severe downturn on both sides of our business, upstream and downstream, at the same time. Normally, one mitigates issues on the other and reduces volatility.

Through much of 2020 we were focused on addressing our operational performance, managing the impacts of lower demand by leveraging our integrated model, and remaining true to our plan to concentrate on value over volume. Our focus on cost reduction opportunities, lowering our capital spend, and increasing our access to liquidity were key levers for us to respond to the economic downturn, to become strong and agile and preserve our financial strength.



We reduced operating costs by \$1.3 billion or 12%, exceeding our target of 10% reduction, and lowered our total planned capital expenditures by \$1.9 billion or 33%. Our 2020 capital spend concentrated on sustaining capital and continuing with a limited number of low-capital, high-value projects such as the interconnecting pipeline between Suncor Base Plant and Syncrude, the deployment of autonomous haul trucks at Fort Hills, and improving the underlying systems and processes of the company to drive further capital and operating cost reductions as we move forward.

In addition to these steps, we made the difficult decision to suspend the share buyback and reduce the dividend. Management and the board know the importance of returning cash to shareholders and our commitment to create and return value to shareholders does remain.

In the face of two simultaneous events of unknown length and impact, we took proactive and prudent steps to maintain the financial strength and health of the company. With the benefit of hindsight, some may say we were too aggressive. However, I do recall talking to you this time last year with no one knowing how long and deep the impacts of the COVID-19 pandemic would be. The impressive speed of development and rollout of vaccines has been unprecedented, and as a result, economies and commodity prices have rebounded sharply, although some countries still have significant issues and recovery ahead.

As Mark mentioned, we exited 2020 with strong operational momentum, and this performance, combined with incremental free funds flow benefits from our strategic investments means we're generating enough cash flow to make significant progress towards our debt reduction and share buyback targets. And in fact, in the first quarter of 2021, we reduced our debt by \$1.1 billion, and year to date we purchased over 500,000 common shares, more than 1.3% of the shares outstanding.

In 2020 our upstream production totaled 695,000 barrels of oil equivalent per day. This production included 466,000 barrels per day of high-value synthetic



crude oil, 102,000 barrels a day of Brent priced offshore crude, and 127,000 barrels per day of bitumen.

Our upgraders ran at a combined utilization of 85% and our refinery utilization was 91%. As Mark said, our refineries significantly outperformed their North American peers.

Our integrated model, broad asset base, strong marketing expertise on midstream logistics assets and capabilities, combined with our financial and capital allocation discipline, enabled Suncor to be more agile than many others in the industry and confirms our competitive advantage. We're well-positioned for the future to create significant value for shareholders and increase shareholder cash return. I'd encourage you to listen to our Investor Day session on May the 26th for more details.

With that, I'll turn the call back to Mark.

Mark Little:

Great. Thanks, Alister. Alister highlighted the actions we've taken to maintain the financial strength of the company. Moving forward, we'll continue to strengthen the company as we focus on three key elements.

The first is to execute our near-term plans through operational excellence, which includes an unwavering commitment to operate in a safe, reliable, cost-effective, and environmentally responsible manner.

Integrating Syncrude, which is expected to generate annual synergies for the joint venture owners of approximately \$300 million will be a big part of this story. The second is executing our plan to deliver the \$2 billion of free funds flow growth, which includes strategic initiatives that help us increase revenue and margin while driving down costs.

For example, accelerating our digital technology adoption through initiatives like robotic process automation or remote monitoring makes us more effective, efficient and reliable, which in turn keeps us safer, improves cash



generation, reduces our environmental footprint, and helps us stay connected to one another.

And finally, we will continue our deep and longstanding commitment to sustainability as we invest strategically to grow the company. We know that all forms of energy will be needed for the future and that we'll all need to work together to drive broader innovation, engagement, meaningful collaboration, and benefits.

And while we continue to move forward, we need to be mindful that staying focused on our strategy and leveraging our strengths, while delivering on our objective of increasing the cash flow of the company and increasing shareholder returns. We'll do a deep dive later in the month about our path forward and I encourage you to attend our Investor Day on May 26th for more details.

In closing, I would like to thank Suncor shareholders and the board for their ongoing support. I'd also like to acknowledge the Suncor team who have managed the challenges of the past 12 months, both the things we could control and the things we couldn't, with flexibility, creativity, and grit. You're paving the way for us to emerge stronger, and it's been a great privilege to work alongside you.

And with that, I'll turn it back to the chair.

Michael Wilson: Thank you, Mark and Alister. It's now time to complete the business of the meeting. The secretary will now give the results of the voting.

Arlene Strom: We confirm that based on the votes on the received by proxy and tabulated by the scrutineer, all the resolutions have passed. We will file final voting results on CEDAR today, issue a press release with the results, and the final scrutineer's report will be incorporated into the minutes of the meeting.



Michael Wilson: Thank you, Arlene. I declare the Board of Directors will consist of 11 nominees named in the circular. I declare that the shareholders have approved the appointment of KPMG as the auditors. I declare that the shareholders have approved the amendment to the Suncor Energy Inc. stock option plan as disclosed in Suncor's management proxy circular. And I also declare that the shareholders have accepted the approach to executive compensation disclosed in Suncor's management proxy circular.

If there are no other matters to be properly brought before this meeting, I have a motion that the formal part of the meeting be terminated.

Joel Thompson: My name is Joel Thompson and I move that the meeting be terminated.

Michael Wilson: Thank you, Joel. Can we have a seconder?

Shawn Poirier: My name is Shawn Poirier, and I second the motion.

Michael Wilson: Thank you, Shawn. Ladies and gentlemen, I now declare the meeting to be terminated. I'd like now to open the floor with you and respond to your questions. Before we start, I'd like to take a moment to introduce Suncor's executive team. Here in the room at a safe physical distance are President and CEO Mark Little, our Chief Financial Officer Alister Cowan, and Chief Financial - Chief Legal Officer and Corporate Secretary -- he'd like to be financial officer maybe, no -- Arlene Strom.

Listening online are Martha Hall Findlay, our Chief Sustainability Officer; Bruno Francoeur, Chief Transformation Officer; Paul Gardner, Chief People Officer; Mike MacSween, Executive Vice President Upstream; Chris Smith, Executive Vice President Downstream; Joe Vetrone, Senior Vice President Operations Services.

We'll now take questions submitted online. A reminder that only those who have logged in as registered shareholders or proxy holders are able to submit questions. To do so, simply enter the question in the platform tool.

We have a few questions, and I'll start up with the first one, that comes from Jeff Carlson. Mr. Carlson comments that inclusion and diversity targets are virtue-signaling which accomplishes nothing, and questions what is the board and senior management doing to ensure that the best qualified and capable people and only the best qualified and capable people are working for Suncor at all levels across the enterprise?

I'll comment on the board and then I'll turn it over to Mark to talk about the management team. I assure our shareholders that our director onboarding process is very rigorous, evaluating candidates versus our skills matrix, and leads to the best candidates coming on the board. We have five of our 11 directors identified under diversity, four female, and I think of note is, of the four committees that we have, three are chaired by female directors. Mark?

Mark Little:

Okay. Well, thank you, Mr. Chair. And this won't be a comprehensive answer but hopefully it'll give you a framework of what we're doing and why we think it's important. And let me start with why it's important.

Certainly, diversity in my opinion is the path forward for us to continue to deliver positive results and to maximize the value of the company. I'm reminded of the story of the fruit vendor in India who was looking to transport some of his goods, and ended up buying a rickshaw and converting it into a solar vehicle, and ultimately taking a trip of 6000 kilometers in that solar vehicle.

And so, really the point of that is that great ideas can come from anywhere, and that we need to be listening, looking, and seeking out new ideas, new opinions, and new perspectives, for us to be able to maximize value.

Now, there are several things that we're doing within the company, some of which I commented on in the text. But one of the things we've done is we've established an inclusion and diversity council, which helps in advising the company on the barriers and challenges and some of the opportunities that we have to improve in this particular area.



One of the examples of that is some of the changes in policies that have occurred, and the one that I mentioned in my text, was the parental leave policy, which allows individuals independent on their gender, or independent of whether this is a natural child for the couple, or whether they're adopting a child, to be able to take parental leave. This is just a small example of how we're adjusting our policies to be more inclusive and support the people on our journey.

This year, as I talked about as well, is that obviously we've facilitated numerous discussions on things like racism with our employees. In some cases we've literally had thousands of employees attend, primarily focused on race and primarily focused on Black and our Indigenous employees. But this has been a huge change and some of the technology that we've implemented has allowed us to have conversations with thousands of employees together, which we've never been able to do before.

We're also building on networks, as I mentioned in my text, building on networks across the company that are supporting people of different genders, race, sexual orientation, and other dimensions of diversity. And we're also trying to grow within the organization awareness of unconscious bias, where people are learning about some of the unconscious biases that they have that drive them to make decisions. This has helped us on our journey for sure.

Mike talked about the 45% of our board members that are diverse. Right now in the company, we have, as an example, 23% of our employees are female. In our industry, the pool of available talent is actually estimated at 18%. So we're above the natural pool for this industry. We also have 23% of all of our leaders across the organization are female. When you get to our senior leaders, VP and above, the percentage of leaders, senior leaders, that are female is in the mid-30s.

So these are actually big challenges. And what we're finding and focused on, is finding the right talent for the right job independent of all of these other

dimensions and working through this. And it's one of the reasons that two of our most complicated operations in the entire company are run by super capable and competent females, because they were the absolute best individuals to lead these organizations. They do bring a different perspective and they have brought a different perspective to the workplace, and, quite frankly, it's been a very positive step forward for the company.

This is not to say that we've arrived at a very inclusive and diverse workplace. We know that we've come a long way, but we still have a long way to go. But we are making progress.

So, in conclusion, at least from my perspective, I think we've made progress and our journey is anything but virtual-signaling.

Michael Wilson: You can tell from Mark's comments that we significantly value diversity.

The second question comes again from Jeff Carlson. The question is, I believe, the use of company earnings to repurchase its own shares, i.e. share buybacks, is a poor use of capital and does not demonstrate a vision of long-term growth for Suncor. At worst, when such purchases are made, the shares may be purchased at overvalued market prices, which therefore destroy shareholder's value.

Page 57 of 2020 annual report shows this massive historical overpayment made by Suncor for its common shares. And for 2021, Suncor says it plans to repurchase between 500 to 1 billion more of company shares. Doesn't it make more sense to deploy this capital in ways that will actually grow the company or to return these earnings directly to shareholders who as shareholders have risked their own money, in the form of higher or special dividends?

With this in mind, my question is, why does the board continue to adopt the policy of repurchasing its own shares?

Mark Little: Mark here. I thought I would actually have our CFO Alister Cowan respond to that question.

Alister Cowan: Thanks for that. If you look at during 2020, we continued to invest in economic projects to drive a \$2 billion increase in our free funds flow growth through 2025. That's a 20% increase over the 2019 level, which was a significant number of just over \$10 billion. We are beginning to see the benefits of our investment in increased cash flow in 2021. In 2021 we're investing over a billion dollars in continuing to drive this free funds flow growth over the next few years.

But we are also focused on allocating two-thirds of our free funds flow to debt repayment and one-third into the buyback. And the reason for stock buybacks is that we do, as management and the board, believe that these are currently at a significant discount to value.

On our Investor Day on May 26th, we will discuss in more detail our capital allocation going forward, including our funds to increase cash return to shareholders.

Michael Wilson: Thank you, Alister. Our next question comes from shareholder Roger Smith. Dividends were reduced 55% last year. What are plans for systematically increasing dividends to return to original level? Mark?

Mark Little: That's actually a great question, Roger. One of the things we're planning to do on our Investor Day on May 26th is to go in to our capital allocation in far more detail than what we have previously, and talk a lot about how we're allocating that to debt, dividends, share buybacks, and investments and such. But at this point in time, we've actually never communicated this, but we are planning to get in and talk about our capital allocation in more detail. So we hope we'll be able to address that at that time to your level of satisfaction. Thank you for the question.



Michael Wilson: Our next question again comes from Roger Smith. What is the impact on Suncor if Line 5 is closed?

Mark Little: Yes. Thank you, Roger. Line 5 is a line that takes about half of the crude that comes from western Canada into Ontario and Quebec markets so that it can be refined and provide clean product. It also takes crude into some of the U.S. refineries in the Northern Tier. So the consequence of Line 5 being taken out of service is most significant to the people living in the Northern Tiered states and in Ontario and Quebec, because we fully expect that this will increase product prices.

We have an extensive plan in place to be able to mitigate the consequence on this - on the company, and so we actively manage it. But it doesn't come without its consequences. We fully expect that we would be able to recover the incremental costs from the marketplace because it will be very hard to supply these markets if we start constraining the crude into them.

So that's where we're at. And we do think that we're the best positioned of anybody in the industry to be able to mitigate the consequence. But we think this is a consequence that's significant for the citizens of our country and we know that both the Ontario and Quebec governments, as well as the federal government, are working hard to ensure that the line doesn't close down. And we also said, as I mentioned in the call this morning, we don't think there's any legal basis for this line to close, and continue to support Enbridge in their efforts.

Michael Wilson: Thank you, Mark. I see that there are no more questions. I'd like to thank everyone for joining us today. We appreciate your interest in Suncor. And we look forward to connecting with you again. Thank you. Stay safe. And have a great day.

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