



April 29, 2016

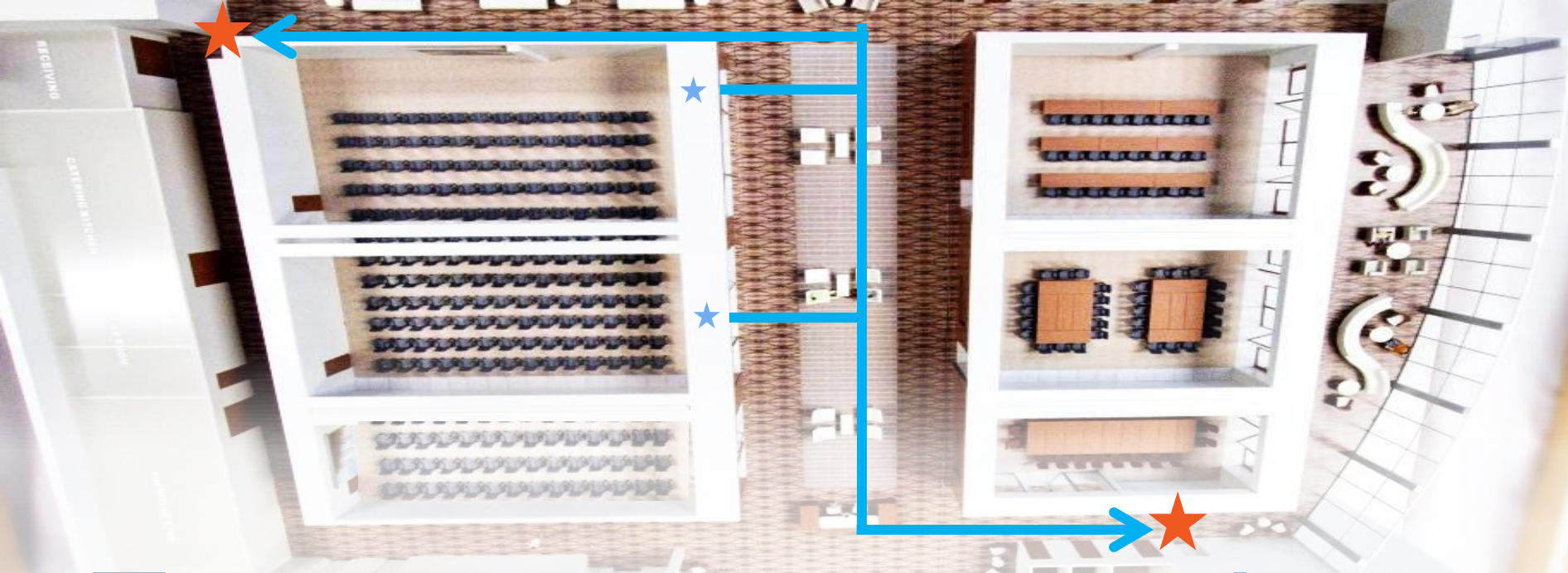
# Annual Meeting of Shareholders

Delivering superior, long-term value



# Meeting proceedings

Rich Kruger, Chairman, President and CEO  
Lara Pella, Corporate Secretary



# Emergency procedures

Lara Pella, Corporate Secretary



# Meeting proceedings

Rich Kruger, Chairman, President and CEO

Lara Pella, Corporate Secretary



# Audit Committee report

Victor Young, Committee Chair



# Meeting proceedings

Rich Kruger, Chairman, President and CEO

Lara Pella, Corporate Secretary



# Election of directors

Victor  
Young

David  
Sutherland

Jerry  
Wascom

Krystyna  
Hoeg

Sheelagh  
Whittaker

Rich  
Kruger

Jack  
Mintz



April 29, 2016

# Annual Meeting of Shareholders

Chairman's remarks



# Business environment

Significant time of change and uncertainty

- ✓ Prolonged period of low oil prices
- ✓ Distressed upstream industry
- ✓ Continued market access constraints
- ✓ Federal and provincial government changes
- ✓ International focus on climate

# Imperial's priorities

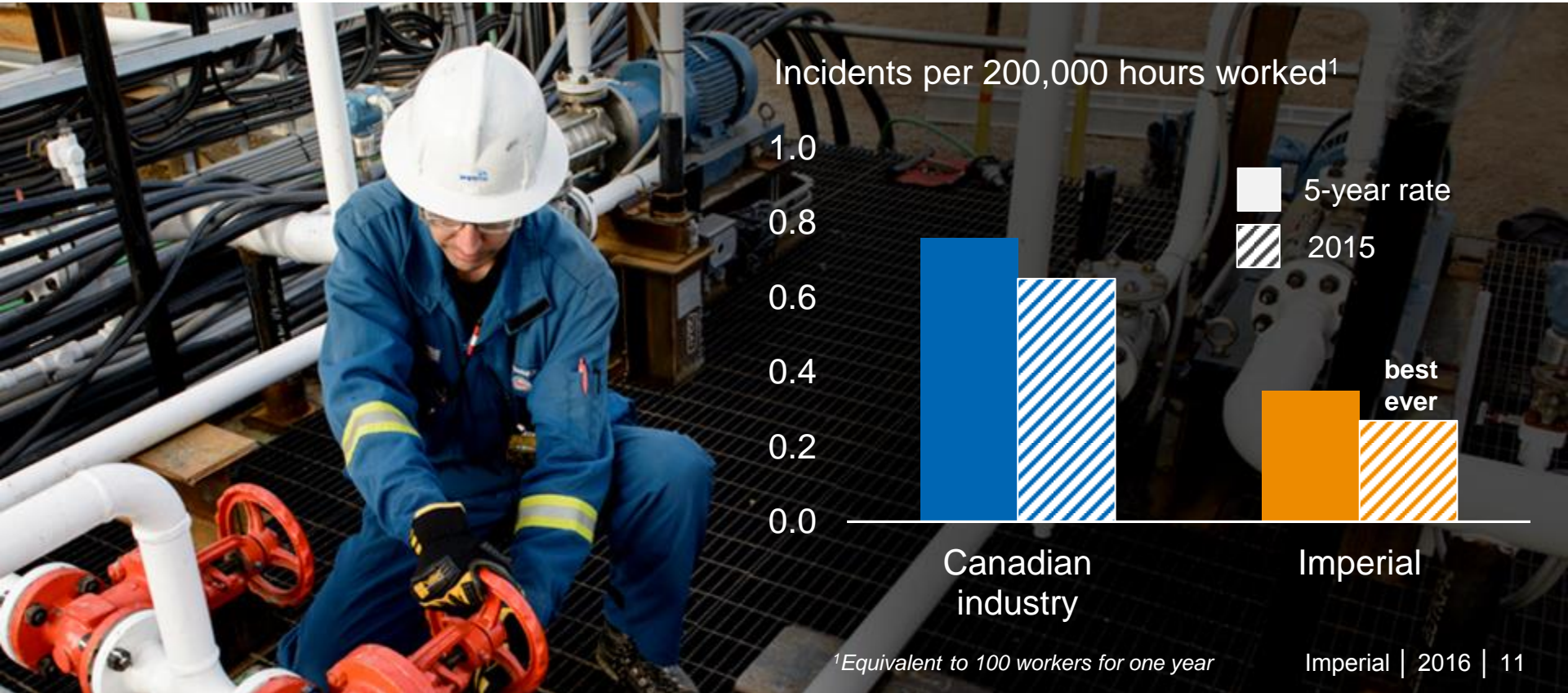
Focus on the things most within our control

- ✓ Safety and operational integrity
- ✓ Cost management
- ✓ Asset performance
- ✓ Project execution
- ✓ Value of integration



# Safety performance

Committed to a workplace where “*Nobody gets hurt*”<sup>1</sup>



# Environmental performance

Focused on operational integrity, incident prevention

# of spills

40

30

20

10

0

2011

2012

2013

2014

2015

record  
low



# Environmental leadership

Substantial progress in water management, reclamation

## Kearl mining

**80%**

of water recycled from  
within operations

**100+**

hectares progressively  
reclaimed to date

## Cold Lake in situ

**95%+**

of water recycled from  
within operations

**1.6M**

trees and shrubs  
planted since 1999

# 2015 results

Resiliency in a challenging business environment



Upstream production

**366 kboepd**



Net income

**\$1.1B**



Refinery throughput

**386 kbpd**



Cash flow

**\$2.2B**



Petroleum product sales

**478 kbpd**



Cost reductions

**\$1.5B**

# Cost management

Aggressively pursuing cost reductions and efficiencies

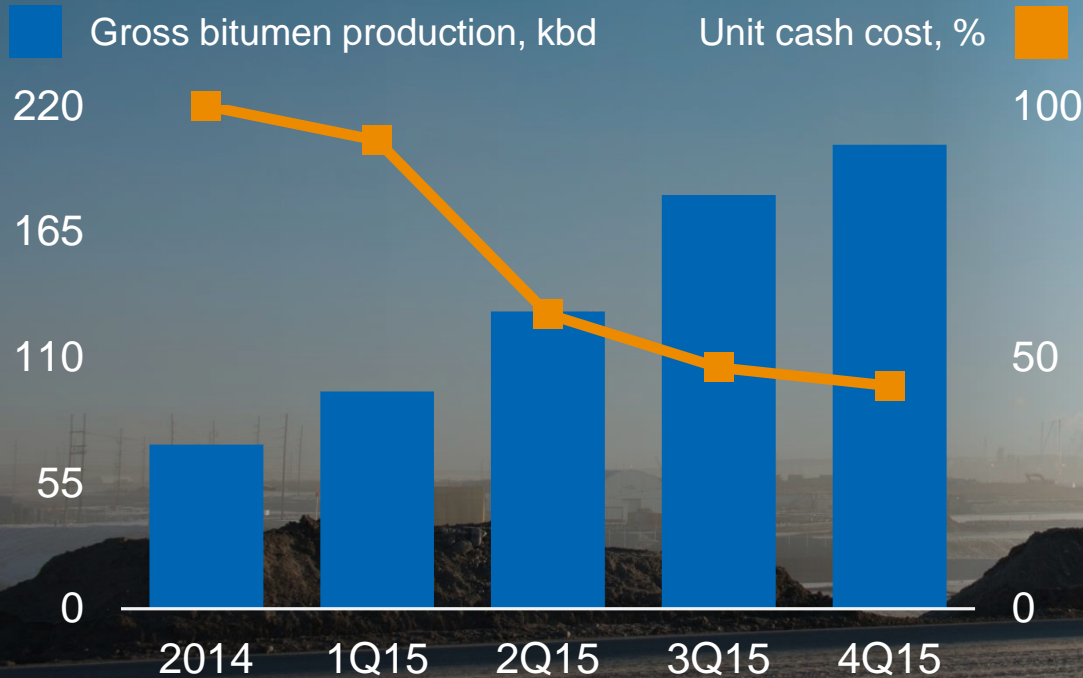
**\$1.5B**

cost reductions in 2015  
versus earlier plans

- ✓ Market capture
- ✓ Spending selectivity
- ✓ Innovative solutions
- ✓ Workforce productivity
- ✓ Internal efficiencies

# Kearl

## Expansion project enhancing overall performance





“Design one, build multiple” strategy delivers results

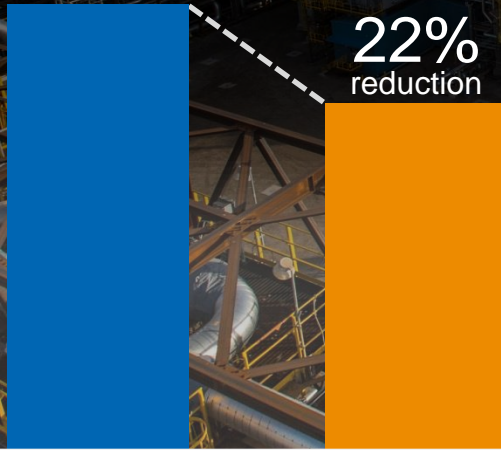
## Construction time

months

40

20

0



Initial

Expansion

22%  
reduction

## Capital cost

\$ billions

15

10

5

0



Initial

Expansion

30%  
reduction



Kearl Initial development to expansion:  
delivering upstream excellence  
Watch the video on Imperial's YouTube channel

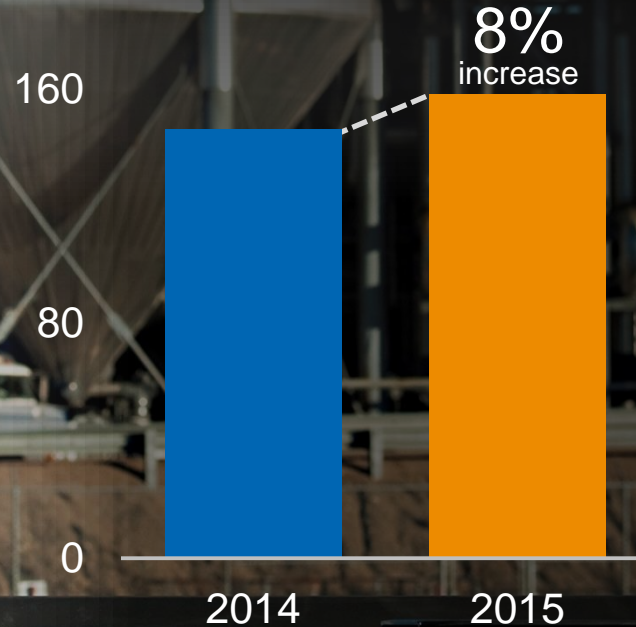


# Cold Lake

Industry-leading performance, growth potential

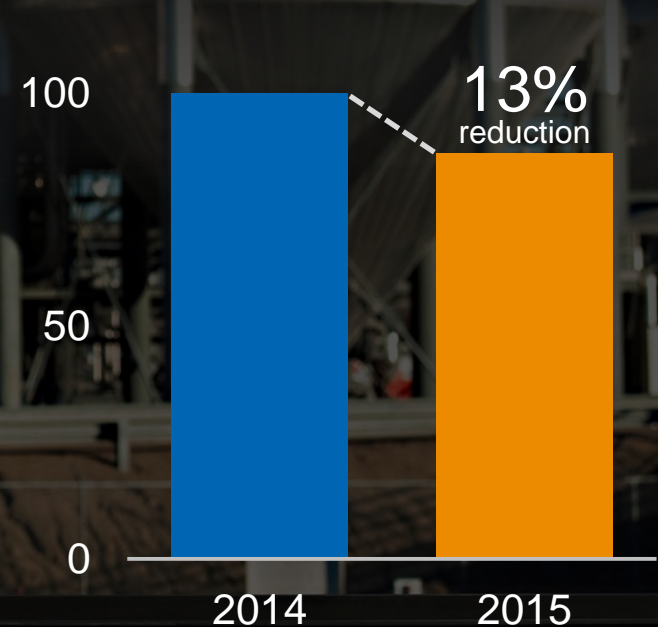
## Bitumen production

kbd



## Unit cash cost

%



# Edmonton rail terminal

Strategic investment to ensure market access

- ✓ Joint venture with Kinder Morgan
- ✓ 210 kbd unit train capacity
- ✓ Start-up April 2015

# Maximizing downstream value

Advantaged feedstocks and integrated product marketing

Refinery operations, %

100  
75  
50  
25  
0



Price-advantaged crude

Sales, kbd

500  
400  
300  
200  
100  
0



Capacity utilization



Petroleum products



# Downstream integration & operational excellence

Watch the video on Imperial's YouTube channel



# Retail fuels

Completing conversion to branded wholesaler operating model

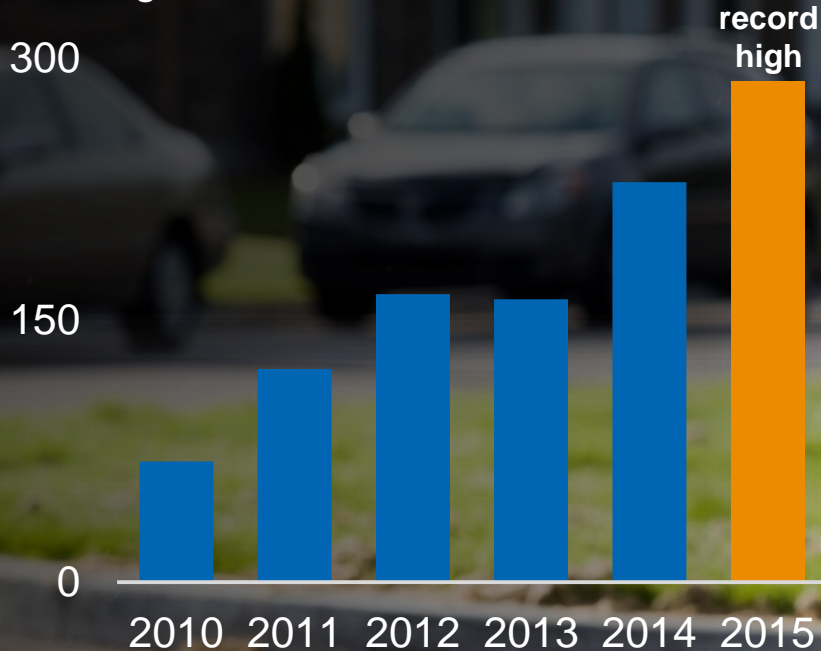
- ✓ 497 company-owned sites sold for \$2.8B
- ✓ Focus on continuing to deliver quality fuels
- ✓ Committed to growing the Esso brand nationwide
- ✓ Retaining marketing and loyalty programs



# Chemical business

Highly profitable, top-tier polyethylene manufacturer

Earnings, \$ millions



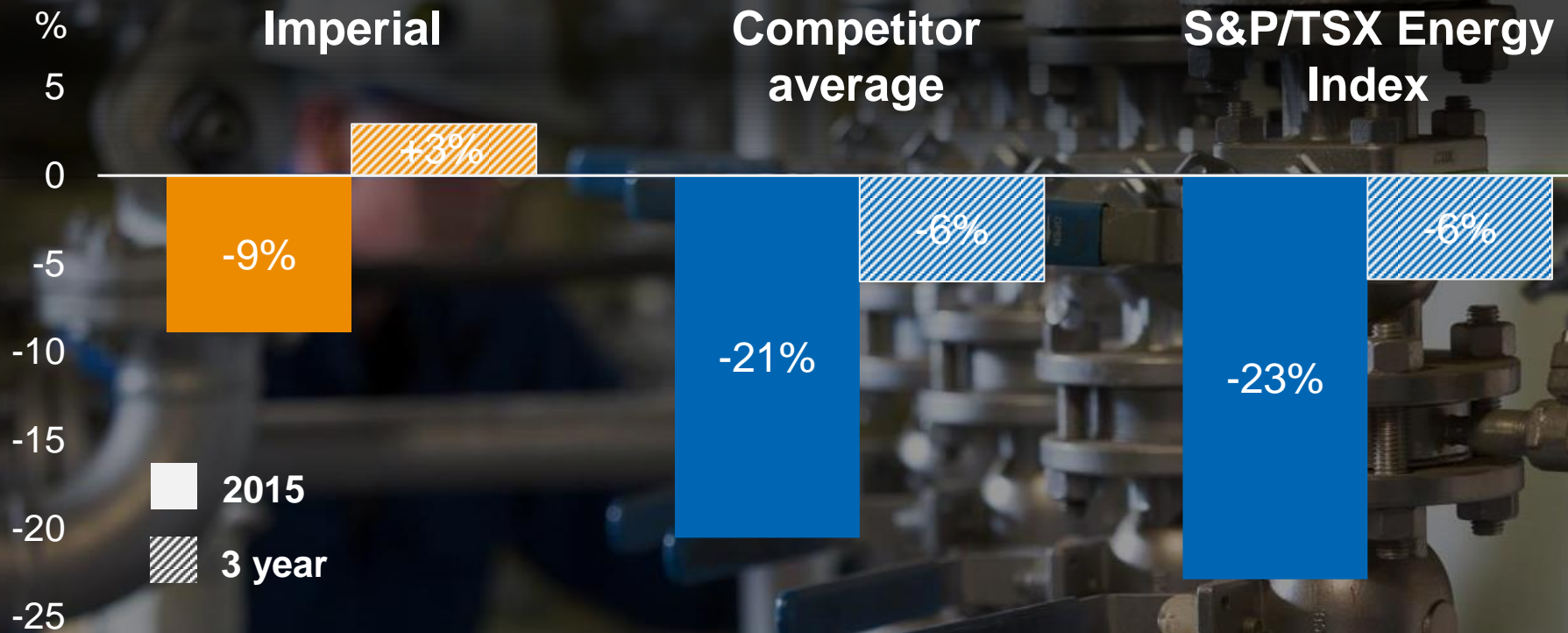
- ✓ Low cost feedstocks
- ✓ New gas cracker furnace





# Total shareholder return

Industry-leading performance throughout the business cycle

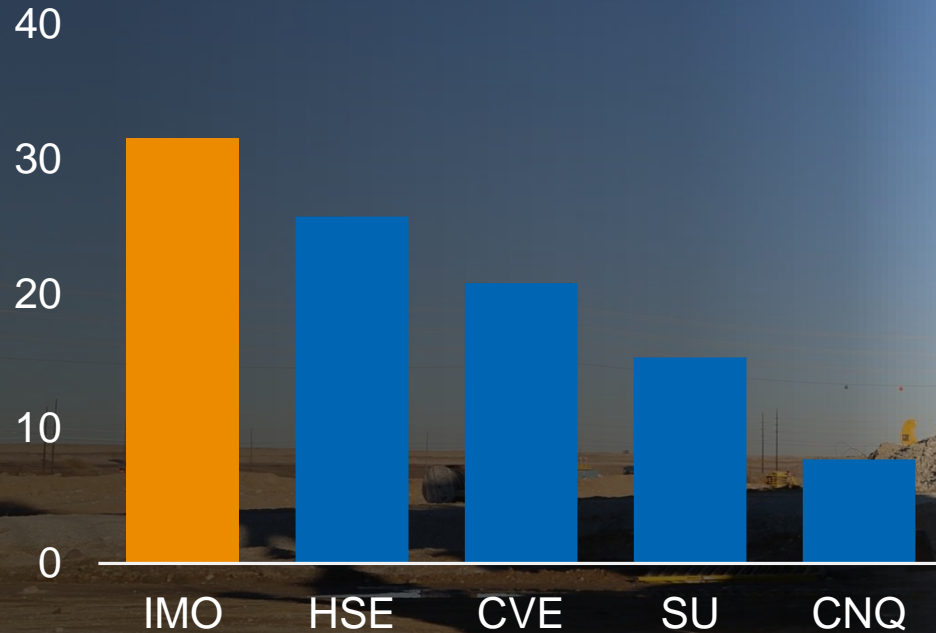


Note: annualized return calculated for the one and three year period including dividends reinvested

# Shareholder distributions

Over \$10 billion returned to shareholders in the last 10 years

Cash flow payout (2006-2015), %



Source: company publications

Cash flow payout includes annual dividends and share repurchases as a percentage of annual cash flow from operating activities

# Dividends

Reliable and growing

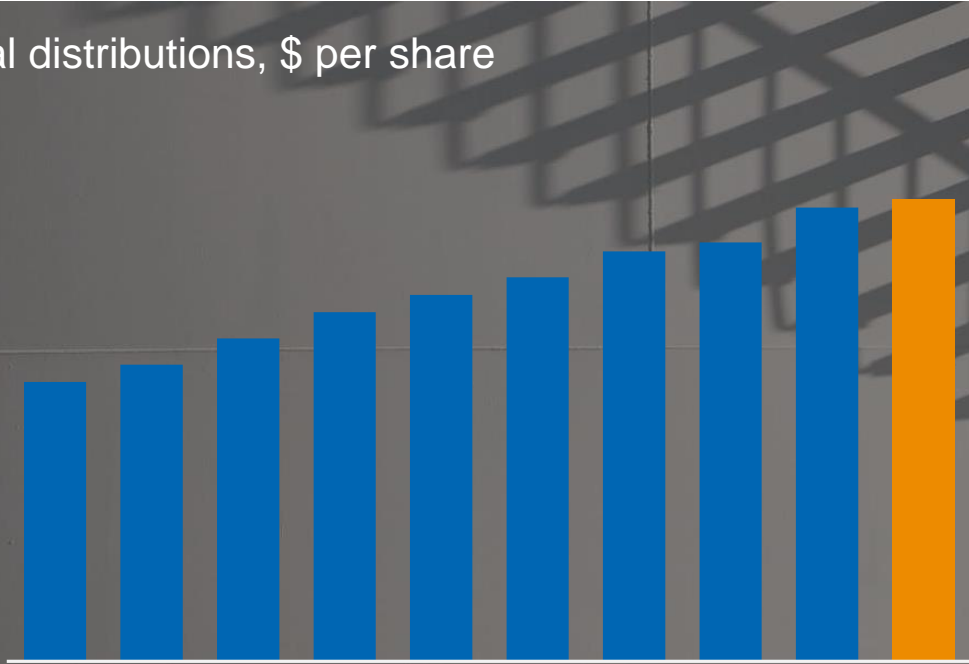
Annual distributions, \$ per share

0.60

0.30

0.00

06 07 08 09 10 11 12 13 14 15



125

years of consecutive  
payment

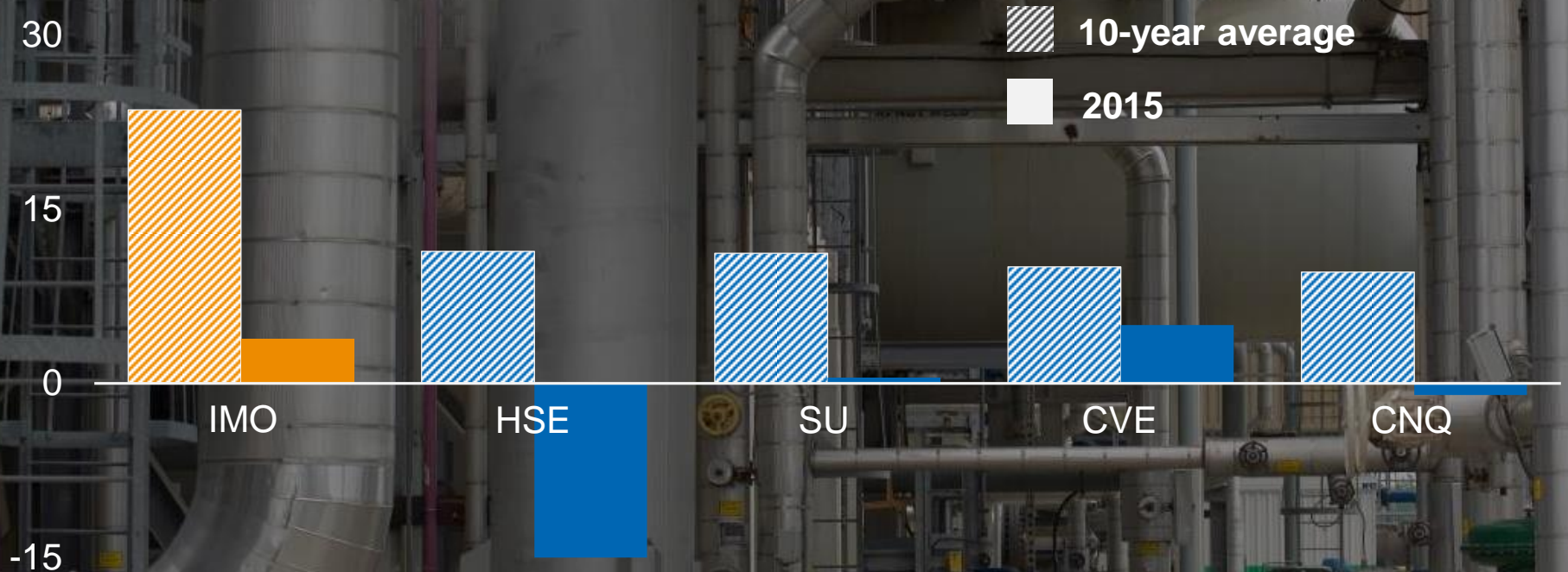
21

years of consecutive  
growth

# Industry-leading capital efficiency

Maximizing investment value

Return on capital employed, %



# Responsible energy development

Dual challenge to meet demand, minimize environmental impact



**Safe**



**Reliable**



**Affordable**



**Abundant**

- ✓ All energy sources required
- ✓ Investments must compete globally
- ✓ Technology and innovation key

# Imperial's future opportunities

Large total resource base to support long-term growth



# Technology leadership

Lower GHG emissions, improved resource recovery

Indexed well-to-wheels GHG emissions intensity, %

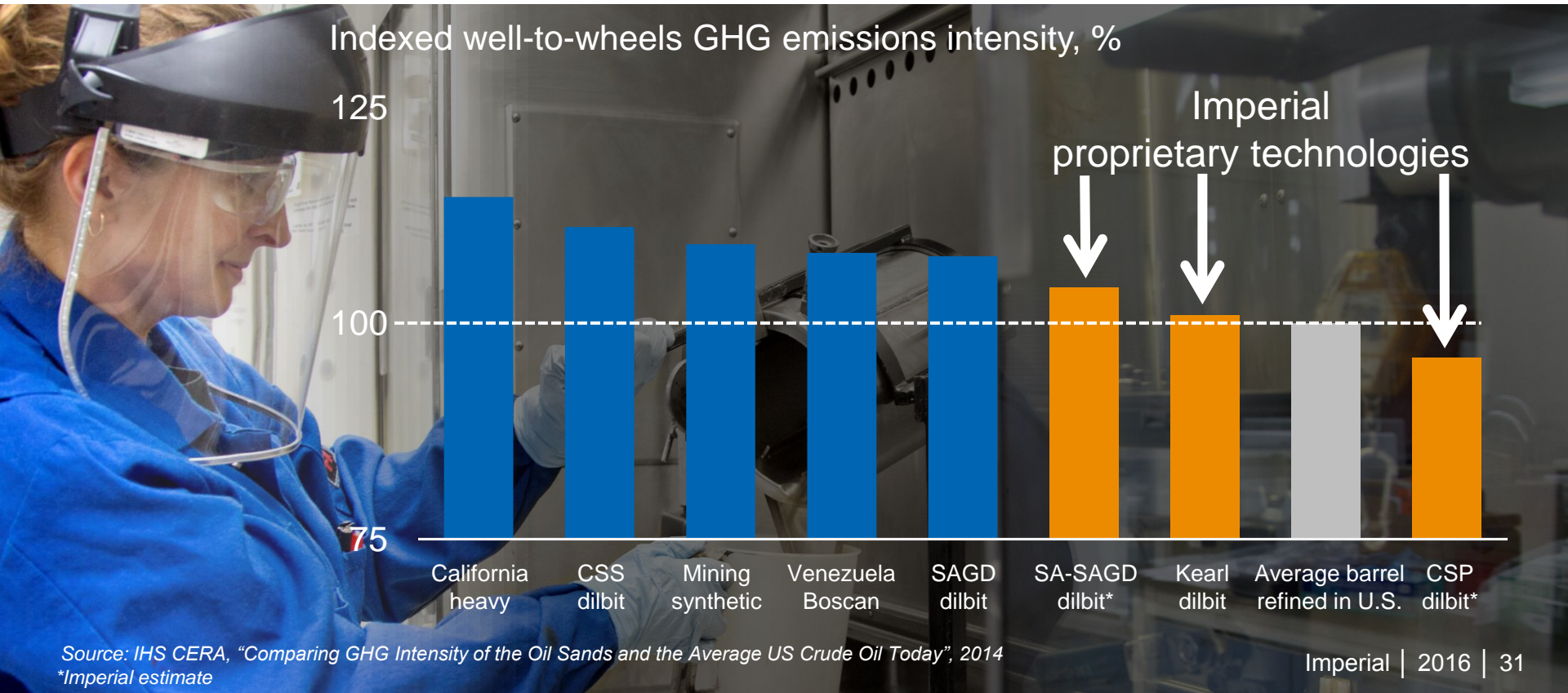
125

100

75

Imperial  
proprietary technologies

California heavy CSS dilbit Mining synthetic Venezuela Boscan SAGD dilbit SA-SAGD dilbit\* Kearl dilbit Average barrel refined in U.S. CSP dilbit\*



Source: IHS CERA, "Comparing GHG Intensity of the Oil Sands and the Average US Crude Oil Today", 2014

\*Imperial estimate

# Imperial's priorities

Focus on the things most within our control

- ✓ Safety and operational integrity
- ✓ Cost management
- ✓ Asset performance
- ✓ Project execution
- ✓ Value of integration







A photograph of an industrial facility, likely a refinery or chemical plant, featuring a complex network of white pipes, metal structures, and scaffolding. The scene is set against a clear blue sky. The text is overlaid on the lower half of the image.

# Scrutineers' report

Lara Pella, Corporate Secretary



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