

# LETTER FROM THE CHAIRMAN

## Transformational solutions to meet energy needs and reduce greenhouse gas emissions

The need for effective strategies and solutions to supply affordable, accessible, reliable energy and reduce emissions in support of a net-zero future is paramount. Public policy, technology and investment must intersect to close the gap between reality and ambition. Upon reflection, the past year has highlighted the importance of both doing our part to provide energy supply security and taking action to reduce emissions in support of a net-zero future while growing value for our shareholders and stakeholders. Our company has worked diligently on emission reduction roadmaps and business plans to lower greenhouse gas emissions intensity in our operations and provide lower life-cycle product solutions to our customers.

### Roadmaps in support of a net-zero future<sup>1</sup>

Imperial's net-zero ambition is supported by a comprehensive approach centered on detailed emission-reduction roadmaps for our major operated assets. These roadmaps consider Canadian public policy, supply resiliency, affordability, technology options and evolving customer choices while aligning with Imperial's core strengths in technology, operations, and project management. There are many choices that could be made in the coming decades dependent upon a range of future demand and technology scenarios. Signpost monitoring and collaboration is critical to guide the timing and direction of solutions to ensure an orderly energy transformation while meeting the needs of our customers and shareholders. I am very excited about Imperial's progress in advancing solutions that will support our journey to net-zero emissions.

### Company-wide net-zero goal

I am pleased to share that Imperial has implemented a company-wide goal to achieve net-zero emissions (Scope 1, 2) from assets we operate by 2050 through collaboration with government and other industry partners. Successful technology development and supportive fiscal and regulatory frameworks represent a few examples of what will be needed to achieve this challenging goal.

### Pathways Alliance

Approximately two years ago, Imperial came together with industry partners to collaborate with governments, industry, and communities on a goal of net-zero emissions<sup>1</sup> from oil sands operations by 2050. This ground-breaking approach to leverage scale, reduce risk, improve project economics and gain knowledge in new technologies includes carbon capture and storage (CCS), lower intensity oil production using solvents, renewable fuels and low-carbon intensity hydrogen. I am very excited about our collective opportunity to advance a world-scale and leading edge Canadian CCS project while engaging economic opportunities for local and Indigenous communities.

### Largest renewable diesel project of its kind in Canada approved

I was very proud to advance Imperial's renewable diesel project at our Strathcona Refinery in Edmonton Alberta. The project will be the largest of its kind in Canada, producing more than one billion litres of renewable diesel annually primarily from locally sourced feedstocks. This renewable diesel will help reduce emissions for our customers by about 3 million metric tons per year and

support Canada in achieving its net-zero goals. We are very encouraged by the results from a pilot wherein we effectively used renewable diesel in our heavy equipment at our Kearl operations and are excited about its potential to help our commercial and industrial customers reduce their emissions.

I am pleased to share with you our Advancing Climate Solutions report, a progress report highlighting our efforts to grow shareholder value and play a key role in the transformation to a lower-emission future. We work sincerely to listen to and inform our stakeholders and welcome your feedback on our efforts.



*Brad Corson*

**Brad Corson**  
Chairman, President  
and CEO