Supplying Energy in an Affordable, Secure and More Sustainable Way

Global events of the past three years have noticeably changed the way we think about energy and modern life.

To be successful in today’s world, energy providers should find ways to balance energy security, affordability and environmental protection while capturing opportunity in the energy transition.

At Imperial, we’re working to advance innovation and strategic partnerships to help address the significant challenge of supplying energy to the world in an affordable, secure and more sustainable way.

Driving value for our customers, partners and broader stakeholders involves maximizing returns from our integrated assets, ensuring resiliency through the cycle, and continuing our relentless focus on industry-leading balance sheet strength.

It also requires commitment to advancing our sustainability priorities: developing pathways in support of a net-zero future,¹ enabling economic reconciliation and meaningful partnerships with Indigenous communities; protecting water resources and promoting biodiversity; and cultivating a workforce where everyone’s perspectives are valued and people are prepared for tomorrow.

In 2022, we continued our momentum in these areas with the announcement of our company-wide net-zero goal (Scope 1, 2) from assets we operate by 2050 through collaboration with government and other industry partners.¹ We are very proud of our best-ever lost-time incident safety record,² continuing our commitment to Nobody Gets Hurt. We also celebrated a record investment in Indigenous business with a cumulative spend of $4.6 billion since 2008.

We have and continue to provide all the resources necessary to not only resolve the operational challenges we’ve faced but to work to rebuild trust with our Indigenous partners. The process of rebuilding trust will take time, and it will require listening and learning.

Regrettably, over the past year, we saw two industrial water incidents occur at our Kearl oil sands operations. On behalf of all of us at Imperial, I am deeply apologetic these incidents happened and that our communications with Indigenous communities did not meet expectations — theirs or our own.

All of us at Imperial have dedicated ourselves to this important journey, including our Board of Directors who visited the Kearl site recently to review our remediation efforts and activities. As we move forward, we intend to apply the lessons we’ve learned across our assets and risk-mitigation systems.

Brad Corson
Chairman, President and CEO
Integrating Sustainability into our Corporate Strategy

At Imperial, we know that integrating sustainability into our corporate strategy enables us to prioritize and capture opportunities in the energy transition, those best aligned to our strengths, local advantages, integrated operations and skilled workforce.

Integral to our strategy is the continuous monitoring of key economic, environmental, policy, technology, and social indicators, designed to help maintain our focus on our business fundamentals while positioning us to grow in new and emerging spaces.

After taking a measured look across the spectrum, we’ve begun to explore and develop Canadian markets for low-carbon solutions that build on our strengths, such as carbon capture and storage, hydrogen, lithium, and lower-emission fuels.

Moving forward in these emerging spaces to further accelerate large-scale deployment of solutions essential to enabling modern life and lowering greenhouse gas emissions will require strategic collaboration with technology providers, researchers, industry partners, governments, and Indigenous communities.

It will also mean harnessing the skills of our advantaged workforce: the scientists, geologists, reservoir engineers, refiners, major project developers, infrastructure operators and product innovators who make up our team.

We have made significant strides in implementing sustainability initiatives at Imperial over the past few years and our progress has continued through 2022 as outlined in this report. We look forward to the years ahead as we continue our development of sustainable solutions that improve quality of life and meet society’s evolving needs.

Sherri Evers
SVP, Sustainability, Commercial Development & Product Solutions
Our Sustainability Priorities

Climate
Develop pathways in support of a net-zero future\(^1\)
- Mitigate emissions in our operations
- Help our customers reduce their emissions

Indigenous reconciliation
Strengthen collaboration and partnerships with Indigenous communities to generate economic benefits and continue the journey of reconciliation

Land and water
Further improve environmental performance by protecting water resources and promoting biodiversity

People
Cultivate a workplace where everyone feels included, diverse perspectives are valued and our people are empowered today and prepared for tomorrow

Strategic investment
Meaningful investment to drive real ESG impact while continuing to supply energy to the world in an affordable and secure way
Highlighting 2022 Performance

**Leadership**

- Three new independent board members
- 40 per cent of Imperial executives are women
- Progressive Aboriginal Relations certified at the Silver level
- 20 years of sustainability reporting

**Environment**

- Company-wide net zero goal by 2050¹
- 30 per cent reduction in fresh water use at Cold Lake since 2020
- Member of Canadian delegation at COP15 & COP27
- Final investment decision on Canada’s largest renewable diesel production facility

**People**

- Best-ever lost-time incident safety performance²
- $4.6 billion invested with Indigenous businesses since 2008
- 3,600 Canadian suppliers
- More than $17.5 million invested in Canadian communities
Imperial’s Operations

Providing lower-carbon emission products for our customers and developing energy solutions for the future.

*Our national distribution network moves petroleum products to market by pipeline, tanker, rail and road transport

2022 notable metrics

- 5,300 regular employees
- 416k oil-equivalent barrels of gross production per day in 2022
- 842k tonnes of petrochemical sales in 2022
- 475k barrels of net petroleum product sales per day in 2022
- Approximately $10 billion in royalties and taxes to governments
LEADERSHIP

OUR GOVERNANCE AND BUSINESS ETHICS UNDERPIN OUR ACTIONS AND BEHAVIOURS. THIS LEADERSHIP DRIVES OUR POLICIES, SYSTEMS, EXPECTATIONS AND STANDARDS ON HEALTH AND SAFETY, THE ENVIRONMENT, CLIMATE CHANGE, BIODIVERSITY AND IN OUR RELATIONSHIPS WITH LOCAL COMMUNITIES.
At Imperial, we believe that strong corporate governance and an unwavering commitment to business ethics creates an environment conducive to long-term sustainable growth and provides a foundation for resilience through the energy transition as we support society’s aspiration for a lower-carbon emissions future.

**Ethics and integrity**

At Imperial, we expect our directors, officers, employees, contractors and suppliers to observe the highest standards of integrity and compliance, ensuring our activities fully adhere to legal and policy requirements everywhere we operate across Canada.

Imperial’s foundational compliance program is captured in our *Standards of Business Conduct*, which clearly directs behaviour through guiding principles, explicit policies and open-door communication procedures. We maintain internal accounting, administrative and operational controls to manage these standards of conduct and compliance. Our compliance program includes clear guidance on ethics, gifts and entertainment, conflicts of interest, antitrust and directorship policies, anti-corruption, data privacy and competition law.

These policies are reviewed regularly by our company’s directors, officers and employees to ensure full understanding and adherence. Imperial employees receive mandatory training on Imperial’s Business Code of Conduct every four years. Additional computer-based and in-person training is also assigned on a scheduled basis.

**Standards of Business Conduct**

Imperial’s *Standards of Business Conduct* contains the following:

- Ethics policy
- Conflicts of interest policy
- Corporate assets policy
- Directorships policy
- Gifts and entertainment policy
- Political activities policy
- International operations policy
- Antitrust/competition law policy
- Anti-corruption policy
- Health policy
- Safety policy
- Product safety policy
- Environment policy
- Customer relations and product quality policy
- Equal employment opportunity policy
- Harassment in the workplace policy
- Alcohol and drug policy
- Procedures and open-door communication

No one at Imperial has the authority to make exceptions or grant waivers with respect to our standards. Breaches of the standards are subject to disciplinary action up to and including termination for employees and denial of site access for contractors. Employees are expected to confirm their understanding and certify their compliance through an annual ethics compliance certification process.
**Open-door communications**

We encourage our employees and contractors to ask questions, voice concerns and make suggestions regarding the company’s business practices. Employees are expected to promptly report suspected violations of the law, company policies or internal controls so management can investigate and take appropriate action as soon as possible.

**Performance and initiatives**

Imperial conducts regular audits on internal company departments, external contractors and joint ventures to assess the adequacy and effectiveness of controls and to evaluate compliance with our Standards of Business Conduct. Audits are typically completed in each business unit every three years. In 2022, Imperial completed five internal audits and 14 contractor audits.

The Board Audit Committee, made up of independent directors, oversees the company’s system of internal accounting and financial controls. To ensure the integrity of Imperial’s accounting and financial controls, the committee also recommends appointment of and oversees external auditors, independent of the company, to conduct annual audit programs.

The external auditor’s report is available on Imperial’s website and additional information on Imperial’s comprehensive corporate audit program can be found in the 2023 Management Proxy Circular.

Employees in relevant job functions receive online and in-person training on antitrust, anti-corruption, anti-boycott, trade sanctions and export controls soon after entering their positions, as well as every year thereafter. In 2022, almost 1,700 employees and contractors participated in such training.
Our Board of Directors

Our board of directors oversees and provides guidance on the company's strategy and corporate planning process, which includes opportunities and risks related to climate change and the energy transition.

The board added three new independent directors in 2023 to replace three directors who reached the company’s mandatory retirement age. These new directors add to the board's existing skillsets and expertise by providing additional experience in energy, business transition and capital allocation. Each new director participated in comprehensive onboarding sessions, including in-depth reviews of the company’s history, culture, practices, risk framework, legal and regulatory requirements and ethics as well as other foundational policies.

Board oversight

Imperial’s board of directors provides oversight of enterprise risks and opportunities, including those arising from the energy transition. These factors are considered when reviewing and approving annual plans and management recommendations regarding major corporate decisions and actions that may have significant societal impact.

Imperial’s board of directors evaluates and provides strategic direction on numerous items including: strategy, competitive positioning, safety, culture, performance, succession planning, compliance, executive compensation, environmental stewardship, research and technology, public policy, community and Indigenous engagement, stakeholder feedback and disclosure.

The Safety and Sustainability Committee, in particular, assists the board by providing oversight on environmental, health, safety, security and sustainability risk management and performance. This includes compliance with legislation and the assessment of public policy impacts on corporate performance, as well as the risks associated with climate change and the company’s commitments to environmental priorities such as water use and biodiversity considerations.

The board assesses company performance using a number of tools including site visits, subject matter briefings, reviews of key reports, and the approval of regulatory filings such as oil and gas disclosures under National Instrument 51-101 and interim and annual disclosures under U.S. Securities and Exchange Commission (SEC) forms.

As of July 2023, five of Imperial’s seven board members are independent and meet the criteria for independence set by Canadian securities regulators, the SEC and the NYSE American LLC. All board committees are chaired by independent directors who meet regularly in executive sessions without the presence of management. In 2022, eight independent sessions were held to allow independent board members to raise substantive issues that were more appropriate to be discussed in the absence of management. Learn more at imperialoil.ca/en-ca/company/investors.
## Board committees

The board uses its committees to oversee a broad spectrum of interrelated risks and opportunities to grow shareholder value.

<table>
<thead>
<tr>
<th>Safety and sustainability</th>
<th>Audit</th>
<th>Finance</th>
<th>Executive resources</th>
<th>Nominations and corporate governance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Provides oversight and guidance regarding matters related to safety, security, health and the environment. This includes environmental, health, personnel and process safety, security and sustainability risks and performance, including the risks associated with climate change. It also includes compliance with legislation, oversight of implementation of the corporation's Indigenous relations principles and guidelines, as well as the assessment of long-term impacts of public policy, climate change, stakeholder and Indigenous relations, on corporate performance, while fostering long-term sustainability and responsible business practices.</td>
<td>Provides oversight of disclosures, financial statements, internal accounting and financial controls, business controls, compliance with legal and regulatory requirements and performance of the audit function (including independence).</td>
<td>Provides oversight of the corporation’s capital structure/capital allocation, financial policies, practices and strategies, which may include financial outlooks, dividend policies and share repurchase programs, investment of pension assets and the funding of pension obligations, as well as significant investments, acquisitions and divestitures by the corporation.</td>
<td>Ensures the compensation system is inherently designed to support the sustainability of the company’s operations and the management of risk. Reviews and evaluates goals and objectives relative to compensation, succession planning and development for senior executives and positions as needed.</td>
<td>Oversees and recommends implementation of appropriate corporate governance standards. Responsible for identifying and recommending highly qualified directors including appointments to committees.</td>
</tr>
</tbody>
</table>
Assessing sustainability and climate risk

The board, collectively and through its Safety and Sustainability Committee, regularly engages with senior management on climate matters and our environmental practices and performance. This includes briefings from subject-matter experts, which can cover elements of scientific and technical research, public policy positions, greenhouse gas emission-reduction performance and new technology developments.

The board approves the company’s strategy and annual capital allocation, and reviews assumptions and sensitivities in testing major projects and investments for resiliency across a range of potential outcomes.

Board diversity

Diversity is a key consideration in Imperial’s approach to board renewal and replenishment, ensuring that new and varying perspectives and experiences contribute to Imperial’s board and strategic objectives. We recognize that diversity of thought, background, skills and experiences facilitates a broader exchange of ideas that are essential traits in maintaining an effective board.

Board skills and experience

Our board of directors is made up of individuals who bring diverse experiences and qualities, such as leadership, strategic insights and the ability to provide oversight of risk management. Their range of expertise spans operations, environment and sustainability, policy, regulatory and finance disciplines. For more information on the Board Skills Matrix, including skills descriptions and governance structure, visit our 2023 Management Proxy Circular.
Executive compensation

The company’s executive compensation program is designed to incentivize long-term, sustainable decision-making. Key design features include restricted stock units with long vesting periods and compensation that is strongly tied to overall company performance.

The compensation program components are designed to incent effective management of current and future operating and financial risks associated with Imperial’s business, including risks related to climate change, in order to:

- protect the safety and security of our employees, the communities and the environment in which we operate;
- manage risk and operate the business with effective business controls;
- create sustainable value for company shareholders by increasing shareholder return, net income, and return on average capital employed, while positioning the company for long-term success in a lower-emission future; and
- advance the long-term strategic direction of the company.

Performance is foundational to the company’s executive compensation program design. The extent to which executives achieve pre-established goals, assessed over near- and long-term horizons, is a key differentiating factor in executives’ pay deliberations. Performance evaluation directly impacts level of base salary, bonus, and long-term incentive awards.

Additional details on Imperial’s executive compensation program and director compensation model can be found in the 2023 Management Proxy Circular.

Risk management

Imperial’s enterprise risk management framework supports the identification and management of risk to the company. The management committee, including the chairman, president and chief executive officer, is responsible for ensuring those risks, including climate risks, are addressed throughout the company. Please see our Advancing Climate Solutions report for a more robust discussion on climate risk.

Imperial incorporates external input in the identification and assessment of risks. We engage directly with a variety of external stakeholders including policy makers, investors, customers, regulators, academics, Indigenous peoples, non-governmental organizations and industry associations on issues and opportunities of relevance to the company. In 2022, these risks included energy transition risks, operational risks, environmental and sustainability risks, policy risks and Indigenous engagement. For more information on specific identified risks, please see our 2023 Management Proxy Circular and our 2022 Annual Report on Form 10-K.

Risk management oversight
Our management systems

Imperial’s comprehensive management systems are used to identify and manage both risks and opportunities across the company. These systems are embedded in all aspects of our operations from facility design to daily work processes, as well as project management for all types of business functions and services. The company’s systems and processes ensure a fact-based, consistent and disciplined approach is taken to risk management.

Controls integrity

Strong business controls are foundational to Imperial’s business conduct as is our focus on continuously monitoring and enforcing compliance and resolving control weaknesses as soon as possible. Imperial’s Controls Integrity Management System is a formal system of internal methods and analytical tools designed to provide a consistent approach for assessing and mitigating operations, financial and administrative control risks. The system also helps us to implement uniform controls across the organization, which are instrumental for the day-to-day running of our business.

Operations integrity management

Imperial’s Operations Integrity Management System (OIMS) is a cornerstone of our commitment to managing safety, security, health and environmental risk and achieving excellence in performance. To drive continuous improvement, our OIMS framework is continuously updated. The framework has also been confirmed by LRQA, Inc. as meeting the following standards: ISO 14001 and ISO 45001.

OIMS is made up of 11 different elements, each with an underlying principle and set of expectations. Risks can include areas such as: supply and demand interruptions, extreme weather, government and political factors, and risks associated with exploration and development, operations, and cybersecurity.

Imperial conducts risk assessments to identify and address potential hazards. Assessed risks are then prioritized and managed as appropriate. Decisions are clearly documented and managed.

Managers and supervisors are expected to demonstrate leadership and commitment for operations integrity. Imperial also uses sound standards, procedures and management systems for facility design, construction, startup, operation and other activities. Imperial’s facilities meet or exceed applicable regulatory requirements.

Quality assurance processes are in place and verifications confirm that risk management recommendations have been addressed. Environmental performance, including emissions, discharges and wastes are tracked and stewarded to meet performance goals and the company carefully selects, trains and monitors personnel. Ongoing evaluations are performed to ensure framework expectations are met.

As a member of the Chemistry Industry Association of Canada, we have adopted the Responsible Care® ethic for the safe and environmentally sound management of chemicals. We also comply with the requirements of ISO 9001:2015 for the manufacture and distribution of polyethylene, naphtha intermediates, vinyl intermediates and aromatics.
Shareholder engagement

Understanding investor interests and concerns and obtaining their feedback is central to our shareholder engagement program. This critical input not only informs how we interact and communicate but also what areas we need to focus on to demonstrate ongoing progress and performance.

Imperial engages with shareholders through a number of avenues including meetings with our senior leadership, quarterly earnings calls, dedicated investor days, conferences, the shareholder proposal process and direct communication at the company’s annual meeting. We also publish an extensive array of information on our corporate website to help shareholders manage their shares, such as annual and interim reports, filings, proxy circulars, speeches and presentations, and a schedule of key dates.

Imperial’s investor relations team actively reaches out to shareholders to obtain views and feedback, and responds to investor and shareholder queries throughout the year.

Other key policies, systems and standards include:

- **Sustainability management: Environmental Aspects Guide (EAG):** The EAG establishes a consistent approach to identify, evaluate and assess environmental and socioeconomic risks resulting from our activities so these risks can be managed.
- **Environmental Business Plans (EBPs):** EBPs use a corporate-wide framework to address environmental requirements and expectations as part of the annual business cycle.
- **Environmental Data Management System (EDMS):** EDMS is used to collect, collate and consolidate site-level data at the corporate level to help manage environmental performance indicators globally. EDMS is being integrated with existing site-based emissions monitoring and measurement systems to enable collection of up-to-date, site-specific information.
- **Environmental, Socioeconomic and Health Impact Assessment (ESHIA):** The ESHIA enables a formal analysis to identify key environmental, socioeconomic and health risks and develop strategies to manage these risks through the full life cycle of an asset.
- **IMPACT:** IMPACT is a corporate-wide database that captures and analyzes safety and environmental data on incidents, near-misses, observations, assessment findings, lessons learned and follow-up activities.
- **Product Stewardship Information Management System (PSIMS):** PSIMS applies common global processes and a global computer system to capture and communicate information on the safe handling, transport, use and disposal of our products.
- **Project Environmental Standards (PES):** PES identifies applicable company environmental standards for new projects, which provide environmental and social protections.
- **Technology Management System:** Includes processes for technology investments that follow a gated management system from early technical innovation to final deployment.
Transparency and disclosure

Trade associations

Imperial belongs to industry and trade associations that offer opportunities to share practices and collaborate on issues of importance to our sector. Participation in trade associations across a broad spectrum of issues provides Imperial with access to a range of perspectives and creates important opportunities to develop and propose solutions that align with our corporate values and with the interests of our stakeholders and employees. The spectrum of topics covered in this sustainability report reflects many of the issues we engage on with industry and trade associations across Canada.

Imperial’s participation often includes taking leadership positions on trade association boards, policy committees and technical working groups, which provide valuable opportunities to learn from others and share our positions and principles.

Trade associations strive to represent the collective viewpoint of the membership. While it would be impractical to expect perfect alignment between Imperial’s policy positions and those of every trade association, and unreasonable to expect any single member of a given association to ensure that was the case, we strongly encourage our trade associations to support initiatives that we believe in, including the goals of the Paris Agreement and support for cost-effective, technology-neutral emissions-reduction policies that will help achieve a net-zero future.

In assessing trade association memberships and any perceived policy misalignments, the company considers potential risks related to shareholder relations, legal, financial and corporate reputation. While we reserve the right to initiate, sustain or withdraw support for an organization at any time, several principles guide our approach:

• We believe our participation in trade associations enables us to effectively advocate for positions we support, share our views and learn from other companies, and influence trade association policy debates.
• We do not expect that a third party organization made up of dozens or even hundreds of members will be perfectly aligned with our views on all topics at all times.
• Our support does not constitute an endorsement of every policy position or point of view expressed by a recipient organization.
• We regularly review our memberships for alignment on climate-related policy issues and other topics. Where misalignment exists, we will work within the organization to achieve alignment; where we fail to see sufficient alignment across critical issues, or where an organization is not committed to engaging constructively, we may choose to cease membership.

We maintain a company-wide database, updated on an annual basis, of all our memberships and trade association participation.

In 2022, we belonged to the following organizations where annual fees exceeded $25,000:

• Business Council of Alberta
• Business Council of Canada
• Canadian Association of Petroleum Producers
• Canadian Chamber of Commerce
• Canadian Council for Aboriginal Business
• Canadian Fuels Association
• Canadian Manufacturers and Exporters
• CD Howe Institute
• Chemical Industry Association of Canada
• Council of the Great Lakes Region
• Pathways Alliance
• Public Policy Forum
• Sarnia Lambton Environmental Association
• Strathcona Industrial Association

In addition to our membership with the Canadian Council for Aboriginal Business, we subscribe to the Progressive Aboriginal Relations certification program and were awarded a silver level certification in 2021.
Political and lobbying activities

Imperial participates in political and lobbying activities that are legal and transparent and in compliance with applicable election laws and reporting requirements. The company does not make financial or in-kind contributions to political candidates and political parties.

Directors, officers and employees engaging in political activities do so as private citizens, not as representatives of the company. Personal, lawful, political contributions do not influence employees’ compensation, job security or opportunities for advances.

Disclosure

Imperial’s commitment to sustainability is reflected by our voluntary disclosures designed to complement our financial reporting. Our approach to our sustainability disclosure is outlined further on in this report.

In addition, we publicly report certain payments made to all levels of government in Canada and abroad in relation to the commercial development of oil, natural gas and minerals, as required by the Extractive Sector Transparency Measures Act (ESTMA) that came into force in 2015 to deliver on Canada’s international commitments for increasing transparency and deterring corruption in the extractive sector. We also abide by Canada’s Corruption of Foreign Public Officials Act, which forbids facilitation payments.
ENVIRONMENT

OUR ENVIRONMENTAL MANAGEMENT APPROACH IS GUIDED BY AN UNDERSTANDING OF THE POTENTIAL ENVIRONMENTAL AND SOCIOECONOMIC IMPACTS OF OUR OPERATIONS AND A COMMITMENT TO FURTHER IMPROVE ENVIRONMENTAL PERFORMANCE BY PROTECTING WATER RESOURCES AND PROMOTING BIODIVERSITY.
Environmental Management

Protect Tomorrow. Today. is our guiding principle, focusing our efforts on the need to protect the environment where we operate and support the social and economic needs of the community today and for future generations.

This principle embodies the environmental expectations and globally accepted industry practices that guide our day-to-day operations.

Our Environment Policy is to comply with all applicable environmental laws and regulations, emphasize every employee’s responsibility in environmental performance and foster appropriate operating practices and training.

We aim to deliver superior environmental performance, prevent environmental incidents and engage with local communities to incorporate their feedback in our plans and keep them informed of our actions. We use a robust environmental management system to identify, assess, mitigate and monitor impacts on the environment, including potential effects on biodiversity and the value particular ecosystems provide.

Based on these environmental aspects assessments, we develop management plans for each of our operations to avoid, reduce or remedy potential adverse impacts. We also conduct monitoring programs designed to evaluate our performance and identify areas for improvement. In the event of an environmental incident at our facilities, an investigation is conducted and corrective actions are taken as appropriate.

Our environmental management plans are routinely updated as operational realities and environments change and necessary actions are incorporated into our annual environmental business planning cycle. Environmental plans and performance, including emissions, water use, land reclamation and biodiversity, are tracked and stewarded in light of performance goals.

At the board level, the Safety and Sustainability Committee oversees the policies and practices that manage environment, health, safety and security risk. The committee reviews the company’s commitments to environmental sustainability priorities such as progressive reclamation, decommissioning and remediation, water conservation and use, air quality improvement, waste management, and land use and biodiversity.

Integrated environmental management approach

1. Determine the environmental, social and health aspects
2. Assess the environmental, social, health and regulatory setting
3. Manage and mitigate risks, avoid | reduce | remedy
4. Monitor and evaluate
5. Apply adaptive management

Stakeholder engagement
Summary: Advancing Climate Solutions

Imperial’s Advancing Climate Solutions report outlines the company’s approach to help reduce greenhouse gas emissions in support of a net-zero future. The full Advancing Climate Solutions report can be found on our website.
Air Emissions

Imperial recognizes we have an important role to play in reducing emissions to help improve air quality in the communities in which we operate. Our goal is to reduce emissions from our facilities, focusing our efforts and investments on the needs of the local airsheds around our operations.

Our environmental management approach includes policies and procedures at our operational sites to identify and control air emissions. In 2022, we advanced plans to further reduce sulfur dioxide (SO₂) emissions at our Ontario refineries and nitrogen oxides (NOx) emissions at our Alberta assets. We are also reducing our volatile organic compounds (VOCs) emissions across our assets.

We work with government and industry groups in regional air monitoring networks to measure and track cumulative air quality in regions where we operate. We meet regularly with community residents and stakeholders to review air quality and discuss concerns.

Air quality innovation

Imperial has adopted an aerial-based, next-generation remote sensing technology at our Cold Lake operation to more efficiently and cost-effectively detect and measure fugitive emissions and support timely repair. And we have partnered with VEERUM Inc. to use artificial intelligence and machine learning to create digital twins of our Kearl and Cold Lake assets, which will allow us to link leak detection and repair (LDAR) data to maintenance tasks, which should lead to expedited repair activities.

<table>
<thead>
<tr>
<th>Air metrics and performance</th>
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<tbody>
<tr>
<td>Sulfur dioxide emissions</td>
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</table>

We continue to focus on sulfur dioxide emission reduction plans for our Sarnia and Nanticoke refineries and chemical plants, and expect to reduce our SO₂ emissions by approximately 50 per cent at Nanticoke and more than 90 per cent at Sarnia by the end of 2028.⁷

In 2022, we made further reliability improvements and began using proprietary SO₂ reducing additives in our fluid catalytic crackers at our Sarnia and Nanticoke refineries. We expect to see a material reduction in our SO₂ emissions from these actions.

<table>
<thead>
<tr>
<th>IMPERIAL AIR EMISSIONS FROM OPERATIONS</th>
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<tbody>
<tr>
<td></td>
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<tr>
<td>Upstream</td>
</tr>
<tr>
<td>SOx (thousand metric tonnes/year)</td>
</tr>
<tr>
<td>2018</td>
</tr>
<tr>
<td>1.7</td>
</tr>
<tr>
<td>NOx (thousand metric tonnes/year)</td>
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<tr>
<td>11.9</td>
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<tr>
<td>VOC (thousand metric tonnes/year)</td>
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<tr>
<td>4.5</td>
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<tr>
<td>Downstream and Chemical</td>
</tr>
<tr>
<td>SOx (thousand metric tonnes/year)</td>
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<tr>
<td>22.3</td>
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<tr>
<td>NOx (thousand metric tonnes/year)</td>
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<tr>
<td>5.8</td>
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<tr>
<td>VOC (thousand metric tonnes/year)</td>
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<tr>
<td>6.2</td>
</tr>
</tbody>
</table>
Nitrogen oxides emissions

NOx emissions are primarily created by combustion of fuel in stationary equipment such as boilers and furnaces or in mobile equipment like haul trucks, excavators, and dozers. Imperial’s NOx reduction plan involves introducing new, lower-emission equipment at our sites. For example, any new boilers installed at our facilities are low-NOx burners. Strathcona is progressing plans that are expected to further reduce NOx emissions by approximately 20 per cent, by 2028.7

These changes include upgrades to ultralow NOx burners in selected furnaces and equipment modifications to the fluid catalytic cracker. At our Cold Lake operation we are developing a comprehensive plan to upgrade many of the boilers to have ultralow NOx burners.

VOC

A primary source of volatile organic compounds (VOC) emissions at our operations is a result of fugitive emissions; new federal regulations mean that we have enhanced our leak detection and repair program at our refineries in 2022.

We are actively engaged with the federal government on new regulations that will reduce VOCs from tanks and loading equipment. Imperial has dedicated resources to evaluating abatement strategies and planning VOC reductions.

At our upstream assets the continued focus on reducing methane emissions will also help drive VOC reductions.

Flaring

Across our operations, our goal is to reduce flaring through improved operating practices and, where appropriate, equipment upgrades. Flares are primarily a safety device and emissions will fluctuate depending on operations. In 2022 our flaring was flat compared to 2021.
Water

Water is an essential resource for society and the environment, and we recognize the role Imperial plays in preserving water quality and the supply of freshwater where we operate.

We work to carefully manage water we use in our operations, including using freshwater for production, wastewater treatment and discharge, and produced water recycled for industrial use to conserve freshwater consumption. At the board level, the Safety and Sustainability Committee is responsible for risk oversight related to environmental sustainability priorities including water conservation and use.

Water management

Canada is among the world’s water-wealthy nations, and according to the World Resources Institute, most of Canada has an overall water risk of low to medium. The projected change in water stress is expected to be near normal, except for a few isolated areas. Fortunately, Imperial’s operations are located in areas with ample water to balance our operational needs with economic development, social development and environmental protection, today and for the future.

Our operations continue to look at new ways to manage risks related to water use and discharge. At Kearl, for example, we are moving forward with plans to install smaller water pumps that allow for lower water withdrawal rates from the Athabasca River.

Strategic collaboration

In addition to active collaboration through the Pathways Alliance, we also work with researchers to advance water research. We are collaborating with Athabasca University, University of Waterloo, University of Calgary, the Northern Alberta Institute of Technology and Ducks Unlimited to study impacts of linear disturbance such as road corridors on wetlands associated with project development. Linear disturbances can impact wetlands by altering the flow of water through the wetland or by changing water levels of the wetland. Researchers are working to understand how changes in water levels may impact how vegetation uses and releases carbon dioxide.

We are also continuing to test the effectiveness of using constructed wetlands as a cost-effective, nature-based solution to clean oil sands mine water. Wetlands reduce concentrations of organic compounds by natural processes where they are absorbed by plants or degraded by microbes. Our scientists and research partners continue to study the Kearl constructed treatment wetland to understand these processes and how we can improve their efficiency.
Taking action to address water incidents at Kearl

Imperial was issued an Environmental Protection Order by the Alberta Energy Regulator (AER) in March 2023 in response to two industrial water incidents that occurred at our Kearl oil sands mine. Imperial has been taking actions to address these issues.

In May 2022, we discovered discoloured water near our lease boundary and notified both the Alberta Energy Regulator and local Indigenous communities. Our preliminary investigation involved months of technical studies and determined this discoloured surface water was made up of natural groundwater and precipitation, with some water from our operations.

The second event, which occurred in February 2023, was an overflow from a drainage pond at Kearl, resulting in the release of approximately 5,300 cubic meters of water. This pond collects water from surface water drainage systems and the seepage interception system. Local Indigenous communities and the Alberta Energy Regulator were informed of this release once it was detected. All impacted snow and ice in the area was removed and Imperial continues to work with the AER on cleanup certification. The company is implementing mitigation measures at site in an effort to prevent an event like this from happening again.

With both incidents, to date there is no indication of adverse impacts to fish populations in nearby river systems, or risks to drinking water for local communities.

We recognize our communication with Indigenous communities did not meet expectations and we are working to rebuild trust and enhance our communications. Since February 2023, we have had over 500 engagements with local Indigenous communities, including site tours, independent testing and community meetings. We shared our mitigation and monitoring plans and invited communities to conduct independent reviews of our technical work. In addition, we sought community expertise to support Imperial in our monitoring, clean-up and mitigation work through Indigenous-owned companies.

Imperial also created a dedicated multi-disciplinary team to bring together resources from across the company, as well as third-party experts, to apply lessons learned from these experiences at all our assets. The team provides updates directly to Imperial’s management committee and at the board level, the Safety and Sustainability Committee oversees policies and practices that manage environment, health, safety and security risk. Imperial’s board of directors visited the Kearl site in September 2023 to review the remediation activities.

For more detailed information on these incidents and our response to them, visit our website.
Water metrics and performance

At Kearl, we maintained our almost 40 per cent decrease in freshwater use since 2020. These reductions were the result of increased utilization of recycled process water and usage of precipitation stored on-site from 2020. Our utilization of process recycled water remained high at 86 per cent.

At Cold Lake our freshwater use was essentially flat, maintaining the almost 30 per cent reduction we saw in 2021 from 2020 due to changes we made to our water reuse treatment system. By sustaining the increase in the amount of produced water we can treat and then reuse we continue to use less freshwater in our operations.

At our downstream facilities, the largest single use of water is for cooling hydrocarbon streams to safe temperatures. Only a portion of the water withdrawn is consumed as a chemical feedstock or lost to evaporation; the rest, over 85 per cent, is returned safely back to the environment in accordance with appropriate provincial approvals.

In 2022 freshwater consumption at our downstream facilities was flat. Our focus remains on the quality of the water we release and on continued monitoring of water availability in the region.
Land Use and Biodiversity

Imperial operates in a variety of ecosystems, some with sensitive characteristics. We strive to mitigate potential impacts to ecosystems and the value those ecosystems provide, working to conserve and restore land and biodiversity through progressive reclamation and habitat restoration.

We carefully consider land use and biodiversity in all aspects of our operations, from new development planning to ongoing operations and reclamation. At the board level, the Safety and Sustainability Committee oversees the policies and practices that manage environmental risks, including land use and biodiversity.

We regularly conduct comprehensive environmental risk assessments that consider all aspects of the environment in which we operate, including biodiversity. These risk assessments are a central component of our environmental business planning process.

Through these processes, we consider factors such as avoiding and minimizing our footprint in sensitive environments, the rarity of individual species — their vulnerabilities and cultural significance, and areas of importance to Indigenous communities. We also work with Indigenous communities in the areas in which we operate to incorporate Indigenous knowledge into our project plans.

In areas of high biodiversity, we follow a mitigation hierarchy, a best-practice decision-making process that helps us avoid, minimize, restore and, in cases of disturbance to fisheries habitat, offset impacts. Currently, none of Imperial’s operating sites are located near protected areas.

Strategic collaboration

In 2022, Imperial’s Land Use and Biodiversity Lead, Lori Neufeld, participated in multiple collaborative biodiversity efforts including the Conference of the Parties to the United Nations Convention on Biological Diversity (COP 15), as part of Canada’s delegation.

At COP 15, alongside other members of the National Boreal Caribou Knowledge Consortium, Lori showcased the collaborative work Imperial has done to support the recovery of boreal caribou populations, including our role in the formation of the Kitaskino Nuwenëné Wildland Park, an initiative led by Mikisew Cree First Nations.

Imperial contributed an oil sands lease to support the creation of the park, which supports the ecological integrity of Wood Buffalo National Park and promotes the long-term stewardship of areas and resources.

Lori was also appointed to Canada’s Nature Advisory Committee (NAC), a group that provides strategic advice and innovative solutions to Environment and Climate Change Canada as the department develops Canada’s National Biodiversity Strategy and Action Plan for 2030.

The NAC is comprised of experts with scientific, technical or traditional knowledge in wildlife management, area-based conservation, ecosystem services, Indigenous conservation, sustainable natural resource industry practices, and nature-based climate solutions.

Lori Neufeld (second from right) with fellow members of the National Boreal Caribou Knowledge Consortium at COP 15
Wildlife monitoring partnerships

Imperial supports land management programs that enhance wildlife habitats and provide community outreach and education programs. Cold Lake and Kearl have wildlife habitat management programs, certified by the Wildlife Habitat Council in recognition of our efforts that go above and beyond regulatory requirements.

We are also a member of the Regional Industry Caribou Collaborative (RICC) where members are focused collectively on conserving caribou and restoring habitat and we work closely with the Pathways Alliance to share restoration and reclamation best practices and reduce impacts to wildlife.

Imperial is a member of the Boreal Ecosystem Recovery and Assessment (BERA) project, a multi-sectoral research partnership of academic institutions and private-sector companies. BERA’s central goal is to understand the effects of industrial disturbance on natural ecosystem dynamics and to develop strategies for restoring disturbed landscapes.

Imperial also participates in the Early Successional Wildlife Dynamics Program, a joint industry program in the Athabasca region that assesses wildlife recovery in reclaimed areas to help determine the effectiveness of reclamation efforts in supporting biodiversity.

Through the program we collect wildlife monitoring data at our Kearl site related to the return and re-establishment of wildlife in reclaimed areas, including terrestrial and water body vegetation productivity of wetlands and compensation lakes. Data is gathered using wildlife cameras, automatic recording units, nest surveys and small-mammal trapping.

Birds

Imperial is dedicated to migratory bird protection, and we are working to prevent birds from landing on surface water bodies in higher-risk areas of our operations. To prevent disturbance to bird nests, before we begin any field activities, we survey the area and, if necessary, implement buffer zones.

Deterring birds from landing at our sites can be a challenge due to migration patterns, characteristics of the process-affected surface water bodies in our operations, and the natural habitats that surround our sites.

Effective bird deterrent programs avoid bird habituation by utilizing a broad range of techniques. The Kearl Bird Detection and Deterrent System is a comprehensive program that uses active and passive devices for deterrence including acoustical devices, eye-safe lasers, noise cannons, predator kites and effigies and drones. We also use human monitors to perform surveys and inform the bird deterrent team.

In 2022, we continued to use RoBird®, a robotic falcon operated by pilots specialized in wildlife mitigation. We have also linked almost all of our noise cannons in high-risk areas to a radar system, so they fire on demand when birds are detected, producing sound that deters birds from the area. This improves the effectiveness of the cannons because they are less predictable and therefore more effective.

At our Strathcona refinery, bird balls, softball-sized black plastic spheres that float on process water ponds, present a dark, non-reflective surface effectively camouflaging the water from passing birds. Ongoing visual inspections of the ponds by operations and environmental personnel confirm the balls are an effective means of protecting migratory birds.
Caribou

Our sector has a critical role to play conserving and returning biodiversity to the landscape, especially when it comes to caribou. Boreal caribou are listed as threatened under the federal Species at Risk Act and Imperial’s goal is to reduce our current and future footprint in caribou range.

Since 2019, we have been involved in task forces for the Cold Lake and Wandering River sub-regions, working collaboratively with the Government of Alberta and other key stakeholders to develop recommendations on sub-regional planning. These plans are an important step in Alberta’s commitment to support caribou recovery and consider a broad range of interests and land-use activities.

Since the release of the Cold Lake sub-regional plan, Imperial has commenced initial work on developing a restoration plan for the portion of our Cold Lake lease that overlaps with the Cold Lake caribou range with the goal of accelerating caribou habitat recovery.

In June 2022, the Government of Alberta kicked off sub-regional planning for the Wandering River region and established eight working groups. Imperial is working collaboratively with government and industry stakeholders in the oil sands/petroleum natural gas working group. The government is targeting the finalization of this sub-regional plan by early 2024.

Sub-regional caribou range planning is an important step in Alberta’s commitment to support caribou recovery in Canada and Imperial is committed to collaborating in the development of Alberta’s caribou range plans.

Imperial continues to use a four-pronged approach to support caribou recovery:

- **Restoration** through participation in regional habitat restoration projects
- **Tenure flexibility** to enable orderly development and reduce overall industry footprint
- **Lease relinquishment** in caribou ranges for conservation where appropriate
- **Innovation** in science-based caribou research through participation in COSIA, the Regional Industry Caribou Collaborative and National Boreal Caribou Knowledge Consortium

As an industry, we use geophysical surveys (i.e.: seismic) to better understand the subsurface geology that informs our developments. Conventional methods require vegetation clearing in environments which are important for boreal caribou.

Imperial, as part of a joint-industry project, continues to test EcoSeis, an innovative seismic methodology developed by OptiSeis Solutions Ltd that has the potential to greatly reduce footprint from seismic activity. The work to develop this methodology has been widely recognized, with funding from the Clean Resource Innovation Network and as a finalist for COSIA’s Land Challenge Competition, a competition for seismic technologies that aim to reduce environmental impacts of oil sands exploration.

Caribou recovery

Imperial’s oil sands mineral tenure relative to caribou habitat. 47 per cent of oil sands mineral tenure is within caribou habitat.
Progressive Reclamation

Imperial’s goal is to return disturbed land to equivalent land capability, leaving behind self-sustaining ecosystems that support wildlife and traditional Indigenous uses. Our commitment to progressive reclamation goes beyond regulatory compliance, and reclamation planning begins even before production begins. We start with the end in mind.
Upstream reclamation performance

Over the past 40 years, Imperial’s operations in the oil sands region have impacted approximately 15,000 hectares, or 0.0375 per cent of Alberta’s boreal forest. This includes our in situ operation at Cold Lake (3,704 hectares), our oil sands mining operation at Kearl (10,657 hectares) and early work at our Aspen development (509 hectares).

To the end of 2022, more than 800 hectares have been cumulatively reclaimed at Kearl and Cold Lake. In addition:

- Since 1999, Imperial has planted almost 1.7 million trees and shrubs to support reclamation activities at our Cold Lake operations.
- In total, approximately 18.5 per cent of Cold Lake’s footprint has been permanently reclaimed.
- Imperial has collected and banked seeds from over 60 species of native plants to support progressive reclamation at Kearl.
- Imperial is also a member of the Oil Sands Vegetation Cooperative (OSVC), which funds the harvest and banking of native plant seeds and research into seed storage.

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- Oil sands mine – Kearl: 8,479, 8,940, 9,622, 10,059, 10,657
- In situ oil sands – Cold Lake & Aspen: 3,702, 4,157, 4,182, 4,200, 4,213
- Total land reclaimed: 807, 805, 818, 811, 833
Decommissioning and Remediation

We manage properties from start to finish, before the first well, refinery, gas station or renewable diesel manufacturing complex goes up and long after operations end.

Our rehabilitation approach varies depending on the location and the environmental characteristics of the site, and we conduct rigorous assessments and risk evaluations to determine the most appropriate remediation strategies. We incorporate applicable regulatory requirements and globally accepted practices, and take into account views expressed by relevant stakeholders, including Indigenous communities.

Our ultimate goal is to reduce environmental liability and enhance the value of the property, while creating opportunities for beneficial reuse.

Innovative remediation approaches

At our former bulk petroleum plant and fertilizer facility in Brooks, Alberta we are using phytoremediation as part of our reclamation efforts. Phytoremediation uses plants to degrade contaminants of concern within soil and groundwater. Plant roots enhance microbial activities that break down contaminants over time. At our Brooks site we have planted four species of trees to help remediate the site. Long-term we hope that our phytoremediation program results in stabilized and decreasing groundwater, soil and porewater contaminant levels.

In 2019, we started remediation activities at our Tuk Base site in the Northwest Territories. As part of the remediation efforts the team was able to use approximately 1,600 tonnes of treated soil from on-site as backfill. The soil was treated using a bioremediation process that remediates contaminated soil to levels that are suitable for use as backfill.

In 2022 we spent more than $83 million on assessment, risk management, land remediation and reclamation activities, supporting 120 properties put into new productive use via sale or lease.
Tailings

Fluid tailings are common to all surface mining operations and are made up of the water, clay, sand and residual bitumen left over when the bitumen is separated from the sand.

Tailings are stored in deposits that help separate the solids from the water, in order for the water to be reused. Reclamation of tailings ponds can be challenging as it can take decades for the fine particles like clay and silt to settle. We develop detailed tailings management plans that incorporate industry best practices to help ensure tailings storage areas are designed for integrity and maintained accordingly. We also ensure ongoing monitoring and have comprehensive emergency response plans in place.

At our Kearl operation, our tailings management strategy is to minimize the fluid tailings we produce to ensure timely reclamation to support a diverse and self-sustaining ecosystem. We do this by treating tailings material right away through the use of thickener technology that intercepts the tailings produced by the extraction process and processes them into a paste. This process increases our ability to remove, and more efficiently recycle water, reduce our freshwater requirements, and reclaim our tailings faster.

We continue to progress our “ready-to-reclaim” tailings volumes and currently almost 90 per cent of our thickened tailings material is now in its final resting place and on the trajectory for full reclamation. We anticipate this volume will fluctuate over time depending on the tailings materials being treated and the treatment method.

Strategic collaboration

Imperial is a member of COSIA's Deep Deposit Working Group, which released a best-practice guide in 2022 for effectively managing and reclaiming deep tailings deposits to a terrestrial landscape. The guide brings together experience and knowledge from across industry developed over the past 50 years. “Deep deposits can be an efficient way to manage tailings and close facilities depending on the specific application and circumstances,” said Paul Cavanagh, Imperial’s Senior Principal Engineer of Global Dam Safety and Earthworks. “This guide allows anyone — particularly new practitioners — to start with the knowledge in the guide, rather than rediscovering lessons we learned 20 years ago.”
Waste management

Imperial recognizes the importance of properly managing waste to minimize potential impact to the environment while using resources more efficiently.

Our environmental policy outlines our goal of controlling wastes to below harmful levels and to design, operate and maintain facilities to this end.

In 2021, we updated and enhanced our Project Waste Management Standard, which informs project concept selection and facility design to:

- Ensure that proper management, treatment, and disposal infrastructure is available for all waste from project construction and operations.
- Reduce the quantity of and hazards associated with the waste generated during the operation of new facilities.
- Promote enhanced waste minimization and recycling/reuse throughout the asset life cycle.

We prioritize waste avoidance when feasible. When waste must be generated, we work to reduce, recover or reuse it whenever possible to reduce volumes requiring disposal. To help ensure waste from our operations is managed responsibly and in a manner that is protective of the environment, all process waste generated from our facilities must be managed at Imperial-audited third-party facilities.

Year-over-year, the amount of waste we generate varies depending on annual maintenance requirements. However, our objective is to continuously look for ways to minimize waste through practices such as: process changes; raw material changes; material handling, storage, transportation; as well as management of any remaining waste in compliance with applicable regulations.

Initiatives spotlights

- We continue to increase the amount of caustic waste sent from our Ontario refineries to be used as feedstock in other industries. In 2022 we sent more than 4,600 tonnes of hazardous waste to be reused, an increase of almost 2,000 tonnes compared to 2021.
- In 2022, oily sludges generated at our Sarnia refinery were treated on site instead of being sent for incineration off-site. Oil and water were separated from solids and recycled in the refinery, and solids were transported off-site for proper disposal, reducing the overall volume of the waste. In 2022, we redirected 14 per cent of our sludge and expect this amount to increase in 2023.
- At Cold Lake we eliminated approximately 1,800 litres of diesel use per day by switching to glycol heaters — which prevent water used in drilling from freezing during winter — and our light towers to electricity rather than run by diesel generators.
- In 2022, we saved 10,000 m³ of drilling mud waste by reusing water in our drilling operations at our Cold Lake asset. This work ultimately reduces our freshwater use by approximately 100 m³ for each new well drilled.
- At our Kearl oil sands operation, we are eliminating disposable plastic water bottles across the site. Refillable bottles are more sustainable and cost-effective than single use plastic bottles. We have installed filling stations at site and our workforce has begun bringing personal refillable water bottles.
- After a successful launch in 2021, our program to recycle mine truck tires at Kearl continued. In 2022, an additional 324 tonnes of rubber was recycled. A local Alberta company turned the recycled material into camp and site walkway pads supporting site safety at Kearl.

Waste management hierarchy
Advanced recycling

Plastics are an essential part of our everyday life, but they are also a valuable resource that all too often gets wasted. In Canada, close to 80 per cent of all post-consumer plastic ends up in landfill due to two key factors: lack of waste management infrastructure and limits with current mechanical recycling technology. While mechanical recycling is effective for easily sorted, clean plastics, plastics like those found in food packaging or bubble wrap are difficult to recycle using traditional mechanical methods.

That’s where advanced recycling comes in. Advanced recycling helps support a circular economy for plastic by broadening the range of plastics that are recycled. According to a 2022 carbon footprint assessment by Sphera, every tonne of waste plastic processed using our advanced recycling results in at least 19 per cent lower greenhouse gas emissions compared to processing an equal amount of our normal crude-based feedstock.\(^\text{[12]}\)

The process involves breaking down plastic waste to its molecular building blocks and effectively transforming the plastic waste into the raw material that can be used in the process of making valuable new products like medical and sporting equipment.

We believe advanced recycling is a necessary complement to mechanical recycling to help society address the plastic waste challenge. We are positioned well through our integrated fuels and chemicals business to support recycling initiatives using advanced recycling technologies. Imperial is evaluating the use of advanced recycling at our Sarnia facility to help address plastic waste in a meaningful way. At full capacity, we could recycle enough plastic waste per year to fill 400 Olympic size swimming pools that would otherwise be destined for the landfill or incineration.

Strategic collaboration

Imperial is working collaboratively with government, industry peers, communities, academics, environmental groups and customers to help keep plastics out of landfills and waterways. We are an active member of the Council of the Great Lakes Region, Circular Great Lakes initiative that comprises bilateral stakeholders driving action to address plastic waste in the Great Lakes Region.

Sarnia Ontario community members help sort plastic that can be processed in advanced recycling — like chip bags and granola bar wrappers.

Exxtend™ technology aims to accelerate progress toward a more circular economy

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\(^*\) Attributed via ISCC PLUS version 3.3 mass balance approach. For illustrative purposes only.
PEOPLE

WE SEEK TO CONTRIBUTE TO THE SOCIAL AND ECONOMIC WELL-BEING OF THE COMMUNITIES IN WHICH WE OPERATE IN CANADA. WE BELIEVE THAT RESPECTING HUMAN RIGHTS, MANAGING OUR IMPACTS ON COMMUNITIES, INVESTING IN THE SAFETY AND WELLBEING OF OUR WORKFORCE, AND MAKING VALUED SOCIAL INVESTMENTS ARE INTEGRAL TO THE SUCCESS OF OUR BUSINESS.
Safety, Health and Wellness

We have a long history of embedding safety into our culture. It is integral to what we do and who we are. We focus on an integrated framework of systems, processes, tools and behaviours aimed at eliminating injuries and fatalities.

Our approach

Imperial is committed to protecting the safety, security and health of our employees, our contractors and others involved with our operations as well as our customers and the public. These commitments are documented in the Safety, Health, Environment and Product Safety policies found in our Standards of Business Conduct.

Imperial holds its suppliers, vendors and contractors to stringent compliance, anti-corruption, non-conflict, safety and other guidelines in order to stay in good standing. This includes applying continuous efforts to improve safety, security, health and environmental performance and foster appropriate operating practices and training.

These policies are put into practice through a disciplined management framework called the Operations Integrity Management System (OIMS). Application of the OIMS framework is required across the entire Imperial enterprise, with a specific emphasis on design, construction and operations. Leaders are responsible for ensuring management systems to satisfy the OIMS framework are in place and effective.

Our OIMS system outlines expectations for health and safety training of employees and contractors as well as investigations of incidents or near misses. We also have short-service worker programs in place to help ensure employees and contractors with less experience have additional support in place to prevent safety incidents.

Our entire workforce is responsible for promoting and maintaining a work environment in which each person accepts personal responsibility for their own safety and actively intervenes to help ensure the safety, security and wellness of others.
Personnel Safety, Leadership and Human Performance

**Personnel safety**

At Imperial, our people are our most valuable resource and that is reflected in our vision of achieving a workplace in which Nobody Gets Hurt. To that end, we continue to drive process improvements that support Imperial’s employee safety vision. We have a long history of embedding safety into our culture, reinforced by safety leadership, standards, practices and experience. We focus on an integrated framework of systems, processes, tools, and behaviours aimed at eliminating injuries and fatalities.

**Leadership**

In 2022, Imperial rolled out a leader-focused training and development program called Expectations of Leaders, designed to achieve results that meet and exceed our strategic business objectives. From a safety perspective, building leadership capability to set standards, create clarity, inspire and motivate, promote innovation, and compete to win matters, especially so when it comes to preventing and eliminating life altering and ending injuries. Aligned with these efforts, we also trained employee and contractor leaders in human performance fluency.

**Human performance**

Human performance (HP) is about making our work easier to get right, and harder to get wrong. HP is an applied science that informs how we design and deploy our Operations Integrity Management System (OIMS) to set people up for success and catch human error. Our goal is to leverage human performance principles and concepts in our operations to deliver world-class business results by enhancing the resilience of our facilities, systems and people, and focusing on learning and improvement.

HP is focused on preventing fatalities, life-altering injuries, and serious process safety events. We want to make tough or confusing work less difficult. Clarifying leadership behaviour expectations and operationalizing HP has enhanced our capacity to manage our operational risks safely and reliability.

We also integrated HP concepts into core safety and work management tools and enhanced our learning approach to create more resilient systems that anticipate failure and have the ability to fail safely. In 2022, we’ve applied HP concepts by:

- improving hazard identification and management by work teams who identify and mitigate error-prone situations;
- empowering work teams to start and stop work by enhancing the way safeguards are verified before starting a job;
- enhancing learning through the application of after-action reviews for our highest risk work; and
- improving the precise execution of critical tasks through enhanced procedures and independent verification.

**Integrating the human performance model**
Performance

In 2022, Imperial had a Total Recordable Incident Rate (TRIR) of 0.29 and a Lost Time Incident Rate (LTIR) of 0.01. Our LTIR performance matched a best-ever result from 2016 because we renewed our focus on Life Saving Actions, incorporated lessons learned from industry and continued to integrate human performance principles into the way we work.

Our contractor management systems require service providers to be screened, monitored and continually assessed to ensure they are meeting our stringent health and safety requirements. These systems helped us achieve our best-ever contractor LTIR performance, with a LTIR of 0.00 in 2022.

Process safety

At Imperial, we recognize that successfully managing process safety protects our people, the community and the environment by properly controlling the hazards inherent to our operations.

Process safety is more than words we write in a procedure or boxes to check on a work permit. Thoughtful risk management actions are integral to the way we design, operate and maintain our facilities. We verify and rigorously manage these safeguards through maintenance, inspection, operations testing, competency demonstrations and emergency preparedness drills. The primary purpose is to keep hydrocarbons, chemicals and process water controlled and safely managed at all times through all phases of our operations.

Our enhanced process safety guidelines and expectations are focused on leadership, scenario management, human performance principles, critical task execution and learning from experience, all designed to help achieve a step change in process safety performance.

In 2022, scenario management was further strengthened by a process safety knowledge verification initiative that required workers to complete additional training and demonstrate competencies specific to higher-consequence process safety scenarios. In the field, leaders reinforced expectations with workers and verified they understood the scenarios and their specific responsibilities.

Higher-consequence process safety risks and risk management strategies are stewarded by Imperial’s management committee and reviewed by the company’s Safety and Sustainability board of directors committee.

Unplanned release prevention

Process safety is not only vital for driving us closer to a workplace where no one gets hurt, but it is also critical for reducing unplanned releases and supporting our aim of zero spills. Imperial designs and operates facilities with the objective of preventing unplanned releases from entering the environment and causing adverse effects. In addition, our spill prevention program establishes procedures for inspecting and maintaining equipment, training operators and conducting practice drills. For more information on our management of our recent Kearl industrial water incidents please see our website and the water section of this report.
Product safety
Throughout the value chain we are focused on product safety, product stewardship, regulatory compliance and we collaborate with industry professionals, regulators and policy makers to ensure the best available science informs industry product safety policy. This work includes communicating with customers and addressing regulatory developments.

Imperial’s Product Safety Policy is consistent with external product safety standards, including those codified in Responsible Care®, an initiative of the Chemistry Industry Association of Canada. Our products, including chemicals, lubricants, and fuels, meet or exceed applicable regulations, standards and guidelines including:

- U.N. Globally Harmonized System of Classification and Labelling of Chemicals (GHS).
- U.N. Strategic Approach to International Chemicals Management (SAICM).

Our primary communication tool is our Product Stewardship Information Management System (PSIMS), which provides information on the safe handling, transport, use and disposal of our products via safety data sheets.

Workplace security
Imperial’s robust security measures are designed to protect our personnel and facilities from operational threats and cybersecurity attacks. Our security programs are risk-based, flexible and responsive to the diverse locations where we do business.

Proactive security actions are enabled by effective processes and systems that collect, monitor and evaluate potential security intelligence and threats. We regularly participate in government and industry forums to enhance our knowledge, skills and technical security applications, and have ongoing awareness and training programs including cybersecurity awareness to reinforce safe behaviours with our workforce.

Cybersecurity

As cybersecurity risks continue to evolve, our multi-layered approach to preventing and mitigating the risks of cyberattacks helps protect us against business disruptions and threats that could affect our data, facilities, operations, or the safety and privacy of our employees and customers.

Attacks against other companies in recent years highlight the urgent need for robust cybersecurity measures at all companies. At Imperial, we use a combination of automated mitigation along with a team of investigators to detect and eliminate vulnerabilities.

We leverage the National Institute of Standards and Technology Cybersecurity Framework to identify potential gaps in our defenses, and we work with independent third parties to help ensure the strength of our systems and processes through:

- Penetration tests by “ethical hackers” to identify vulnerabilities
- Breach assessments to find evidence of undetected cybersecurity breaches
- Maturity assessments on our overall cybersecurity program

In addition, all new applications on our systems are subjected to rigorous, focused vulnerability testing, and the aspects of our systems that are identified as highest risk are reassessed annually.

Cybersecurity updates are provided to the audit committee of our board of directors annually.
Data protection and security

The integrity and privacy of personal, corporate, and customer data is protected by a comprehensive program that includes user rules and system-wide processes. We monitor for irregular behaviour patterns that could indicate data theft, and we have established safeguards to protect the privacy rights of our users in compliance with applicable regulatory requirements.

For example, most companies see the highest risk of data breaches when an employee exits the company. Simple steps, such as restricting data mobility as soon as an employee is known to be leaving, help reduce the risk of data loss. In addition, highly sensitive documents are encrypted so that they can only be read within our computing environment, providing an additional level of protection.

Training and business continuity

Awareness remains one of our best defenses, and cybersecurity education is a priority for Imperial. All employees must complete annual web-based cybersecurity training to help them understand and respond to cybersecurity risks and to reinforce safe behaviours. These lessons are reinforced throughout the year through activities such as our ongoing mock phishing exercises.

In addition to promoting safe behaviours, we manage business continuity as a key component of our Operations Integrity Management Systems (OIMS). We have developed business continuity plans (BCPs) with a suite of enablers to be activated in the event of a major cyberattack.

Our BCPs are reviewed for compliance, performance, and potential improvements via annual updates and periodic drills, with best practice sharing facilitated by a global center of excellence.

Emergency preparedness and response

Emergency response preparedness is critical to ensuring that in the event of an incident, all necessary actions are taken to protect the public, the environment, our workforce and assets. We have robust emergency preparedness and response plans in place at all our facilities and operations, and our OIMS framework outlines corporate expectations. Potential risks requiring emergency response include, but are not limited to, severe weather events, pandemics, fire, or an unplanned release.

Our dedicated internal emergency preparedness and response teams ensure personnel are properly trained and that drills are being planned, executed and completed. In 2022, Imperial completed 275 emergency response simulations across our sites, many of which involve notification and participation of mutual partners and stakeholders.
Health and Well-being

One of our goals is to enhance the health and well-being of employees and communities.

Imperial’s Culture of Health program focuses on providing an environment and resources that actively and consistently promotes and supports healthy and safe behaviours.

**Mental health program**

In 2022, we continued our focus on reducing the stigma around mental health and growing a supportive environment at all levels of the organization.

We rolled out a training program designed to raise awareness among employees, to spark individual reflection, and to provide tools to foster an environment of psychological safety. Psychological safety plays a large role in keeping everyone at work safe. When employees and contractors feel comfortable speaking up, they are more confident to intervene to help ensure the safety of others. This training has been provided to approximately 300 employees and we continue to expand participation across the organization.

In 2022, we continued to roll out a leadership training program, working with the Mental Health Commission of Canada, called The Working Mind. The program is designed to promote mental health across an organization and train leaders to support employee wellbeing, ensuring the workplace climate respects and involves all employees, including those with mental health problems. In addition, each of our assets has developed individual mental health and wellness strategies to support unique workforce needs.

Kearl’s multi-purpose wellness centre, opened in 2022, provides a place for our workforce to unwind, both mentally and physically. The facility includes a full fitness centre, basketball and pickleball courts as well as a running track.
Mental health and safety

At Imperial, we know that by prioritizing our mental wellbeing, we unlock our true potential and create a safer environment for ourselves and others. The relationship between mental health and safety is undeniable. Studies have shown that organizations promoting mental health initiatives experience a reduction in incident rates, demonstrating the profound impact of mental wellbeing on safety outcomes. When we nurture our minds, we enhance problem-solving skills, boost creativity, and unleash innovation.

Imperial plans to continue to provide and expand programs that deliver care for mental health and wellbeing and we are committed to supporting our workforce through our benefits programs. In this regard, we are pleased to welcome a new Employee Assistance Program service provider ComPsych, which provides resources and support to our employees and their families. Imperial cares about mental health and wellbeing and is committed to supporting our workforce through our benefits programs, reducing stigma, psychological safety, and promoting resources like those available through ComPsych.

When it comes to safety, we recognize that we’re more likely to make mistakes when we’re not feeling well. Together, we’re focused on building a resilient workforce that thrives both personally and professionally.

Programs that support health and well-being

At Imperial’s health centres across the country, our occupational health professionals (physicians, nurses, industrial hygienists) work to foster a healthy workplace, provide advice, and respond to individual health concerns. Their efforts are supported by a number of tools for employees:

- Comprehensive health and benefits plan.
- Wellness personal spending account to financially support employee focus on well-being tailored to personal needs and goals.
- Employee and family assistance program with immediate and confidential support, available 24/7.
- Workplace flexibility programs in support of work-life balance.
- Internal web portal with extensive health and wellness resources and tools.
- Robust alcohol and drug policy: outlines expectations based on risk assessments, encourages disclosure and supports treatment for employees.
Investing in People

Our people are our most important competitive advantage. Continually developing our teams and maintaining a strong culture are core strategic priorities essential to achieving our long-term objectives.

Imperial remains focused on building a diverse workforce and productive work environment where individual and cultural differences are respected, where every employee is challenged to deliver their best and contribute to our company’s success and has the opportunity for unrivaled personal and professional development.

Creating sustainable solutions
Our strategy focuses on maximizing our competitive advantages in scale, integration, technology, functional excellence — and our people — to build globally competitive businesses.

Our history has been built on the talent, ingenuity, and hard work of our people, and our future legacy will be dependent on their continued commitment and pride in what we do and what we stand for.

Our focus is on building a diverse workforce and environment where individual and cultural differences are respected, a place where all employees are challenged to deliver their best, can thrive and reach their full potential.

Strategic talent objective
We have a diverse and engaged workforce and provide every individual unrivaled opportunities for personal and professional growth with impactful work meeting society’s essential needs.

Strong culture. Strong future.
Our culture is underpinned by our Standards of Business Conduct, which support our commitment to provide equal employment opportunities and to prohibit discrimination in the workplace.

The strength of our culture has underpinned our success for decades. Our culture framework clearly articulates our core values and leadership expectations, necessary to position our company for long-term success. It also outlines key behavioural skills that apply to all employees.

2022 highlights
In 2022, Imperial delivered excellent business results across a wide range of performance dimensions. The hard work and commitment of our people underpinned these results, as they have for decades. We build on this advantage every year by attracting and developing the best talent and fostering an environment where every employee can thrive and reach their full potential.

A place to thrive
- Significantly expanded stock program for professional employees, re-enforcing joint ownership in the company’s success.
- Company-wide survey, strong understanding of company purpose and strategy, productive and inclusive work environment.
- Strengthening our culture framework, sustaining engagements and pulse surveys.

Attract the best talent
- Awarded multiple Top Employer awards, including recognition as one of Canada’s Top 100 Employers.
- Strong ongoing employment offer acceptance rate.
Our culture is enabled by a strong focus on leadership and key talent systems, including performance assessment, on-the-job experiences, and formal training to consistently develop our people.

In 2022, we launched a company-wide survey, engaging employees on their understanding of our company’s purpose and strategy, our progress in fostering a productive and inclusive environment, and our efforts to strengthen our culture.

**Enable employees to reach their full potential**
- Continued investment in talent through job rotations, training and learning.
- More than 4,600 employees participated in corporate and technical training in 2022, with a total expenditure of $4.5 million.

**Develop future leaders**
- Continued roll-out of Expectations of Leaders training, approximately 500 leaders participating to date.
- Increased the percentage of women in executive roles, now making up over 40 per cent of Imperial’s executives.

**Harnessing diversity**
- Fostered inclusive behaviours, embedded in Expectations of Leaders and through annual skills assessment.
- Expanded mentoring programs, focusing organizational effort.

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**EXPECTATIONS OF LEADERS**

<table>
<thead>
<tr>
<th>Set standards</th>
<th>Create clarity</th>
<th>Inspire and motivate</th>
<th>Promote innovation</th>
<th>Compete to win</th>
</tr>
</thead>
</table>

**BEHAVIOURAL SKILLS**
- Adapts | Communicates effectively | Develops others | Manages risks | Analytical
- Courage of conviction | Focusses on customers | Promotes inclusion | Applies learning
- Creates business value and competes to win in the marketplace
- Innovates | Shows initiative | Collaborates | Makes sound decisions | Strategic

**CORE VALUES**
- **Integrity**
  - Be honest and ethical
  - Do what is right
- **Care**
  - Be responsible and inclusive
  - Look after each other
- **Courage**
  - Take initiative and make a difference
  - Think boldly and act with conviction
- **Excellence**
  - Hold ourselves to high standards
  - Be thoughtful, thorough, and disciplined
- **Resilience**
  - Be determined and persevere
  - Be purposeful and steadfast in our principles
Investing in people for long-term careers

Our employees have expertise in a wide range of disciplines, including engineering, finance, mathematics, chemistry, and biology, to name just a few. Because it takes decades to build key capabilities within our global workforce, Imperial invests in people for long-term careers. This includes work assignments, on-the-job experiences, and focused training and education. In 2022, more than 4,600 employees participated in corporate and technical training with a total expenditure of $4.5 million. This approach to development takes significant investment and is critically important in maintaining our competitive advantages and achieving our strategic objectives.

Our leaders and supervisors understand their responsibility to develop all employees to their full potential. Employees have an individual development plan, informed by annual skills assessments, which guides them in achieving their career aspirations.

The skills and capabilities that allow our workforce to meet the world’s energy needs today, are the same critical and transferable skills required for Imperial.

Our benefits and programs address employee needs throughout their careers and into retirement. This includes savings and pension plans that provide financial stability for our retirees and their families, and are underpinned by the financial strength of the company.

A career-oriented approach

We provide meaningful opportunities for our employees to continuously develop the skills and capabilities necessary to succeed and achieve their potential. This takes significant investment in talent development. It requires a deliberate approach to career planning to offer unparalleled opportunities, formalized skills, and leadership training in support of on-the-job learning. Average length of service for career employees who retire with Imperial is more than 30 years.

Through ongoing talent reviews and robust succession planning, we evaluate capabilities and identify the talent pools we need to succeed now and in the future. Training includes both classroom-based learning and open-access digital learning options, providing our employees the opportunity to sharpen requisite skills at their own pace.

Developing future leaders

Leadership development ensures we have the necessary skills and capabilities to deliver on our business strategies and facilitates development of the next generation of leaders.

We focus on individual development plans, prioritizing targeted skills and capabilities, and by ensuring employees get the right assignments at the appropriate stage in their career in order to prepare them to assume larger executive level roles. These plans evolve as performance is demonstrated and leadership potential is tested.

The senior leadership team reviews these plans annually along with the overall health of our leadership pipeline and our succession plans. This also includes a review of key indicators to assess progress as intended. Imperial’s board of directors plays an important role in leadership development and leadership continuity. Our CEO leads an annual review with the Imperial board on succession plans for key leadership positions and our efforts in investing in diverse talent.
Diverse leadership talent

We periodically assess how our talent programs and initiatives are affecting diversity throughout our talent pipeline, from entry level to the most senior positions, taking into consideration the available talent market. Additionally, we continue to work toward increasing representation of employees in the four designated groups (women, Indigenous, persons with disabilities, and visible minorities).

Imperial has increased the percentage of women in executive roles, with women now representing over 40 per cent of Imperial’s executives. We achieved this by focusing on strong execution of our talent processes: early identification of talent, execution of development plans, and timely promotions.

We have also continued our focus on Indigenous representation in our workforce. To support this, we initiated an executive-led working group that is focused on recruitment, retention and progression of Indigenous employees within Imperial.

The team is working to develop site-specific Indigenous employment strategies. For example, at Kearl, we successfully piloted an Indigenous recruitment program where we engaged local communities in the recruitment of Indigenous candidates.

More information on our Indigenous workforce development program can be found in the Indigenous engagement and reconciliation section of this report or on our website.

**REPRESENTATION OF DESIGNATED GROUPS**

<table>
<thead>
<tr>
<th>Group</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
<th>2021</th>
<th>2022</th>
</tr>
</thead>
<tbody>
<tr>
<td>Women</td>
<td>5</td>
<td>6</td>
<td>7</td>
<td>8</td>
<td>9</td>
</tr>
<tr>
<td>Visible minority</td>
<td>3</td>
<td>4</td>
<td>5</td>
<td>6</td>
<td>7</td>
</tr>
<tr>
<td>Indigenous</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
<td>6</td>
</tr>
<tr>
<td>Persons with disability</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
</tr>
</tbody>
</table>

* Includes executive, management, professional, technical and wage employees who are covered by the company’s benefit plans and programs

**WOMEN AT VARIOUS LEVELS IN ORGANIZATION**

<table>
<thead>
<tr>
<th>Group</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
<th>2021</th>
<th>2022</th>
</tr>
</thead>
<tbody>
<tr>
<td>Women executives*</td>
<td>10</td>
<td>11</td>
<td>12</td>
<td>13</td>
<td>14</td>
</tr>
<tr>
<td>Women management, professional and technical</td>
<td>8</td>
<td>9</td>
<td>10</td>
<td>11</td>
<td>12</td>
</tr>
<tr>
<td>Women on Board</td>
<td>6</td>
<td>7</td>
<td>8</td>
<td>9</td>
<td>10</td>
</tr>
</tbody>
</table>

* Executives include executive officers and executives in senior leadership positions
Harnessing diversity

Imperial is committed to building and sustaining a diverse workforce. Diversity strengthens us by promoting unique viewpoints and challenges each of us to think beyond our traditional frames of reference. We do not see diversity as a stand-alone activity; it is embedded in our core values, our approach to how we develop talent, and the culture to which we aspire and is codified in our Diversity Framework.

We leverage diversity to create competitive advantage, enabling teams and individuals to be more innovative, resilient, and better equipped to navigate the complex and evolving global energy landscape.

Diversity framework

Principles

• Inclusive culture where diversity is respected and valued.
• Workforce and leadership reflect communities and culture where we operate.
• Opportunity to achieve full potential and excel based on contributions and performance.
• Development shared responsibility between supervisor and employee.
• Meritocracy with consistent, uniform, and unbiased treatment.
• Industry competitive compensation.

Employee resource groups

Imperial encourages participation in our employee resource groups. These groups support recruitment efforts, new hire orientation, professional development, and mentorship. Each of our employee resource groups has a senior leader sponsor.
Our Communities

We seek to contribute to the social and economic progress of the communities in which we operate and believe that respecting human rights, managing our impacts on communities and making valued social investments are integral to the success of our business.

**Stakeholder engagement**

Supporting Canada’s ambition for a lower-carbon future and long-term economic and social development through the energy transition requires meaningful engagement and collaboration.

Imperial is committed to actively collaborating with communities where we operate, with our employees, Indigenous communities, customers, suppliers and contractors as well as with all levels of government as we work together to build energy solutions for a better tomorrow.

Our engagement program is grounded in our principles of inclusion, respect, professionalism, timeliness, responsiveness and accountability. We believe that active engagement promotes a better understanding of peoples’ concerns and ideas, contributes to good decisions, resolves issues and helps us identify mutually beneficial opportunities.

Active listening and the proactive collection of feedback helps us understand what matters to our stakeholders and allows us to share our progress. To facilitate candid feedback on our performance, Imperial regularly engages third-party firms to conduct confidential stakeholder research.

At Imperial, engagement takes many forms such as meetings, community presentations, open houses, community reports, social and digital media channels and, most importantly, through individual conversations.

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**Grievance management**

Our collaboration and engagement program also includes a grievance-management process, which provides a diverse set of platforms to enable individuals or communities to raise concerns. They include direct, in-person and electronic engagement and use of third-party proxies such as civil society organizations and nongovernmental associations. We dedicate personnel to map, track, analyze, respond to, and resolve community grievances in a timely manner.

Our grievance management practices are guided by the World Bank International Finance Corporation and Ipieca, the global oil and gas association whose goal is to advance environmental and social performance across the energy transition.

We strive to build strong relationships where trust and confidence are earned, particularly in communities where we operate. Dedicated community relations resources at each of our operations work to create an open channel of communication with our community stakeholders.

In addition, we recognize that emergency planning and preparedness are essential to communications programs that are proactive, transparent and meaningful in times of crisis and we regularly conduct emergency simulations to test our tools and systems.
Community investment

Our social investment strategy and activities are aligned with our sustainability focus areas and are designed to influence meaningful change. Through ongoing engagement, feedback and collaboration with our partners, we are investing in shared solutions to build resiliency within our local communities. We measure impact using data-driven tools and criteria, developed in collaboration with London Benchmarking Group Canada and our community partners.

Investing in the areas where we operate

In 2022, Imperial supported 160 organizations, primarily in the communities and locations where we operate. When combined with recipients from our ImpACT program, more than 800 non-profits and charities across Canada received support from Imperial.¹⁴

The map to the right depicts Imperial’s community contributions by showcasing our investments in local charities and not-for-profit organizations across the country. The size of the circle on the map reflects the number of organizations supported in each community.

2022 notable metrics

- More than $17.5 million invested in Canadian communities
- $2.75 million raised for United Way organizations across Canada
Supporting Indigenous youth on their education journey

Imperial has been supporting Indigenous youth on their education journey for 20 years. Our support focuses on science, technology, engineering and mathematics (STEM) education and supporting students in the areas where we operate.

We hope that when Indigenous students complete their education journey, they find rewarding careers. Ideally, this is a long and successful career at Imperial. See page 55 for more information on Indigenous workforce development at Imperial.

Fuelling what matters: The important role sports play in kids’ mental health

Last year, Imperial continued with the third year of our Fuel What Matters program, which aims to support mental health during and following the COVID-19 pandemic. In 2022, the $100,000 in funding supported KidSport — a charitable organization that helps kids play a season of their favourite sport by providing grants to cover expenses. Many studies tout the positive link between kids’ mental health and sports.

In addition to the donation, Imperial provided nearly $200,000 in Esso gift cards to support KidSport families.

“KidSport Canada is proud to partner with Esso and Mobil on this initiative to help more kids get into the game by reducing cost barriers. Imperial has been a huge advocate for youth sports and mental health, so this collaboration was a natural fit for us.”

GREG INGALLS, CEO KidSport Canada

Imperial’s support for kids in sport carried beyond the Fuel What Matters program. In 2022, Imperial was the title sponsor for the Alberta Indigenous Games (AIG). AIG is the largest Indigenous multi-sport event in North America and is attended by approximately 4,000 athletes.

Watch highlights from the 2022 Alberta Indigenous Games
Employee volunteerism and giving

Our employees are passionate about engaging with their neighbours and contributing to the communities where they live and work. Many are involved with local nonprofit organizations helping coach minor sports teams, working at a local food bank or donating to local causes. Through our ImpACT program, Imperial provides matching company funds for employee volunteer hours ($25/hour) and charitable cash donations (1:1) to a combined maximum of $500 per employee, per year.

The ImpACT

Imperial employees volunteered over 8,500 hours in Canadian communities last year. Combined with the corporate match, we gave more than $450,000 to nearly 850 causes through the ImpACT program in 2022.

The passion for volunteering and giving is something that is encouraged and fostered during a career at Imperial. In many cases, that passion carries on long after our employees retire. The Esso Resources Annuitant Club (ERAC), based in Calgary, Alberta, celebrated the 10th anniversary of their public service group Community Care in 2022. In 2022, the group of Imperial retirees volunteered a combined 1,878 hours in 2022 at charitable organizations such as foodbanks, the Shaw Charity Classic and the Canadian Eyeglass Recycling Centre.

Sprouting impact with Forests Ontario

Imperial partnered with Forests Ontario to fund the planting of 25,000 trees in southern Ontario to support wildlife habitat and biodiversity and improve the health of the local environment.

In addition to the organized tree planting activities, Imperial and Forests Ontario handed out white spruce seedlings and planting instructions at Esso and Mobil gas stations in the greater Toronto area and Sarnia for residents to plant their own tree in the community.

As well, Imperial and Forests Ontario hosted an information session at Northern Collegiate school in Sarnia about the importance of caring for the seedlings and tree planting in their communities.
Indigenous Engagement and Reconciliation

We strive to build strong and lasting relationships with Indigenous peoples built on mutual trust, respect and shared prosperity. This effort is grounded in a commitment to listen, understand and collaborate as we work together to develop energy solutions for future generations.

Many of our operations and development opportunities are located close to Indigenous communities or on their traditional lands and we recognize that our company and our employees have an important role in progressing reconciliation.

**Imperial’s four pillars of Indigenous engagement**

Our goal is to collaborate with Indigenous communities on a common vision for progress, environmental stewardship and sustainable development.

**Consultation and community relations**

Imperial’s Indigenous consultation and community relations program is focused on building relationships and maintaining ongoing dialogue with Indigenous leaders and community members by learning about and valuing traditional practices, decision-making processes, cultural activities and languages.

While our aim is to start conversations early in our project planning to allow enough time to consider feedback and collaborate on mitigation measures, it is the relationships developed and connections made over time that allow us to meaningfully share ideas and mutually beneficial opportunities.

More detailed information on Imperial’s Indigenous relations guiding principles can be found on our website.

The Canadian Council for Aboriginal Business offers the Progressive Aboriginal Relations certification program to recognize positive relationships between businesses and Indigenous groups. There are varying levels of certification depending on the maturity of the company’s Indigenous policies and outreach. Our efforts in our upstream operations are recognized with the award of a silver level certification, a designation supported by independent and third-party verification.
An apology to our Indigenous neighbours at our Kearl operation

Imperial was issued an Environmental Protection Order by the Alberta Energy Regulator in March 2023 in response to two industrial water incidents at our Kearl oil sands mine. With both incidents, to date there is no indication of adverse impacts to fish populations in nearby river systems, or risks to drinking water for local communities. Leading up to this, our approach to communication with Indigenous communities did not meet community expectations, which contributed to fear, confusion, and anger in these communities.

Imperial continues to engage directly with Indigenous leaders and other community members to answer questions, provide information and work to rebuild trust. We have had numerous site tours, information sessions and community visits. We have shared our mitigation and monitoring plans with communities and have offered for them to complete their own independent reviews of our technical work. We are also seeking input from communities on our plans to improve our communications going forward.

“I regret this has happened and, on behalf of our entire company, am deeply apologetic,” said Brad Corson, Imperial President and CEO. “We have broken trust with these incidents and by failing in our commitment to provide sufficient communications to neighbouring Indigenous communities. I know the process of rebuilding trust will take time, and it will require listening and learning. All of us at Imperial have dedicated ourselves to this important journey.”
Business development

Indigenous leaders and communities have repeatedly told us that one of the most meaningful contributions our company can make on the journey of reconciliation is to grow healthy partnerships with Indigenous businesses.

Over the past 20 years, Imperial has listened to and learned from Indigenous communities to better understand needs, expectations, motivations and limitations as we built a business development model that is mutually beneficial to communities and our company.

In 2022, that effort resulted in the highest total Indigenous spend in our history ($761 million). A significant share of our overall procurement of materials and services supporting our Kearl oil sands operation in Alberta was with Indigenous suppliers.

We recognize that success is far more than the dollars spent, it’s also about the business relationships and the capacity we build and grow with Indigenous companies and communities over time. We are continuously working to diversify and expand the scope of our business development opportunities with Indigenous-owned companies from across Canada, guided by clear principles. Imperial fosters the development of Indigenous businesses in ways that benefit the company and the community by:

- Developing Indigenous content plans that address employment and business opportunities for Indigenous peoples and including this content as a factor in evaluating and awarding contracts.
- Supporting the growth and development of Indigenous business through capacity building and shared learning.
- Using Indigenous suppliers of goods and services that are competitive and meet Imperial’s safety, technical and quality standards and timing needs.
- Providing information and training on Imperial’s procurement processes, safety standards and expectations of business conduct.

2022 notable metrics

- $4.6 billion invested with Indigenous business since 2008 ($761 million invested in 2022)
- 1,200+ Indigenous employees and contractors have self-identified at our upstream assets
- 45 Esso retail sites across Canada owned, operated by Indigenous businesses or on Indigenous land
Innovative Tlegothi JV supports Norman Wells progressive reclamation

From the very early days of development and start-up of Imperial’s Norman Wells facilities, located along the Mackenzie River in the Northwest Territories, local Indigenous communities have been integral to the company’s operations.

As we begin progressive reclamation activities at the more-than-100-year-old facility, we are focused on engaging Indigenous communities in these ongoing efforts. For the past several years, Imperial has worked with Sahtu communities to support the establishment of a joint venture designed to collaborate with local Indigenous peoples in the work required to support Norman Wells reclamation work.

The Tlegothi Joint Venture (the JV) is a company made up of the Deline, Tulita, Fort Norman Métis and Fort Good Hope Métis communities as well as environmental consultant, Parsons. The goal of the JV is to build capacity and expertise within the Sahtu community to support the reclamation and remediation work ahead.

Tlegothi hires local Indigenous community members to participate in a training and on-the-job skills development program designed to facilitate the role progression of workers over time from a sample preparation assistant to junior environmental technician to crew leader and finally to qualified site supervisor.

“Having Sahtu people at all levels of the organization will mean traditional values, decision-making processes and culture are valued and incorporated in the progressive reclamation program,” says Sarah McLaren, Norman Wells Strategy Lead.

Work currently underway at Norman Wells is focused on site assessment activities including groundwater monitoring, soil sampling and logging as well as initial reclamation activities like revegetation and slope stabilization.

In 2022, over 50 per cent of the initial reclamation work being done in the field at Norman Wells was being conducted by Indigenous workers.

Workforce development

We have a clear goal at Imperial to build a workforce that is representative of the Indigenous populations where we operate across Canada.

This means creating a work environment that supports diversity of thought and experience, while also investing in partnerships, programs and strategies to help us attract and retain Indigenous employees who want to build meaningful careers with Imperial.

The cornerstone of our workforce development program is our Indigenous employee network model, designed to not only support Indigenous recruitment and retention, but also to provide a safe space for Indigenous employees to come together and share experiences, mentor and support each other.
Indigenous internship program

Imperial’s Indigenous internship programs are integral to our recruitment efforts across Canada, designed to provide industry experience and where possible transition to full-time employees. In addition to on-the-job training, participants gain valuable work experience, mentorship and support. More information on Imperial’s Indigenous internship and scholarship programs can be found on our website.

For the past several years, Imperial has partnered with the Tribal Chiefs Employment Training Skills Association (TCETSA) to support recruitment efforts for Cold Lake’s Indigenous internship program, as well as to contribute to the development of a unique Indigenous-led environmental monitoring training program at Keyano College in Fort McMurray, Alberta and University Blue Quills in St. Paul, Alberta.

Indigenous awareness education

As Imperial employees, we have a responsibility to learn from the experiences of Indigenous peoples in Canada. We offer a series of Indigenous awareness professional development courses available to all employees to further employee knowledge of Indigenous culture, history and traditions and to create safe spaces for learning, engaging and understanding.

Our training programs were created with significant input from our Indigenous employees and community partners, designed to help develop a better appreciation for the legal, social and political challenges that Indigenous groups face, the historical implications of colonization, treaties and residential schools and also touches on ceremony, spirituality and the unique traditions of the many communities where we operate across Canada.

We also have networks across Canada where Indigenous and non-Indigenous employees come together to share experiences and learn more about each other’s stories, cultures, traditions and history and where they can participate in national days of reconciliation events such as National Indigenous Peoples Day and Orange Shirt days as well as site-specific smudging workshops and Indigenous-inspired cooking classes.
Supply chain management

Imperial is committed to promoting inclusive sourcing, respecting human rights and working to minimize impacts to the environment in our supply chain. We seek to work with suppliers that share our commitment.

We operate in all provinces and territories across Canada and currently engage more than 3,600 suppliers across the country. In 2022, our total spend for goods and services exceeded $5 billion. Imperial is working to integrate our sustainability focus areas within our supply chain management approach, seeking opportunities to diversify our supplier network, minimize environmental impacts and collectively contribute to our communities' resilience and quality of life.

Our procurement teams conduct pre-qualification assessments, which help verify potential suppliers and contractors are aligned with elements of our Operations Integrity Management System (OIMS). These assessments guide our decision-making, evaluating factors that include: ethics, health, safety, environmental and technical compliance, as well as sustainability and financial considerations.

Imperial audits a select number of suppliers each year for contract compliance. Contractors not meeting our expectations may be subject to supplemental training and contractual remedies, including termination.

Supporting Indigenous-owned businesses

In line with Imperial’s sustainability focus areas, local and Indigenous content is considered an asset in our procurement contracts, and we actively work to engage Indigenous businesses in the areas where we operate.

We are proud to be a Canadian Council for Aboriginal Business (CCAB) Aboriginal procurement champion. This designation places Imperial in a group of corporations committed to increasing opportunities for Indigenous businesses to be able to participate in the sponsored companies’ supply chains. Please see the Indigenous engagement and reconciliation section of this report for more information on Imperial’s performance in this area.

Taxes and royalties

Government revenues from taxes and royalties drive economic growth and a higher standard of living for all Canadians. The amount paid by Imperial in taxes and royalties depends on production volumes, the price for those volumes and the costs incurred to produce them. Royalties and taxes fluctuate year-over-year accordingly. In 2022, approximately $10 billion in taxes and royalties were borne and collected and that in turn helps fund school systems, roads, hospitals, social programs and more.
Imperial supplier, vendor and contractor expectations

Imperial holds our suppliers, vendors and contractors to stringent compliance, anti-corruption, non-conflict, safety and other guidelines in order to stay in good standing. We expect our suppliers, vendors and contractors to:

• comply with laws, rules and regulations applicable to their business;
• comply with their contractual obligations and perform their activities balancing economic growth, social development and environmental protection;
• avoid any conflict of interest;
• not offer, pay, (directly or indirectly) any bribe or engage in any corrupt practice;
• comply with antitrust and competition laws;
• promote a safe, secure and healthy workplace;
• apply continuous efforts to improve safety, security, health and environmental performance and foster appropriate operating practices and training;
• endeavour to provide positive, productive and supportive work environments;
• conduct operations and business practices in a manner consistent with the Fundamental Principles and Rights at Work of the 1998 International Labour Organization (ILO) Declaration, including the elimination of child labour, forced labour and workplace discrimination and the recognition of freedom of association; and
• manage activities in a manner that respects human rights and is consistent with the United Nations Guiding Principles on Business and Human Rights in effect as of 2011.

To integrate sustainability into our practices, Imperial leverages existing stewardship and purchasing processes and systems. Plans and initiatives are reviewed to identify opportunities related to inclusive sourcing and environmental performance as well as to identify potential human rights impacts within category families. Objectives are established annually.

Imperial uses a source-to-contract platform that facilitates consideration of sustainability in the acquisition process. Steps have been included to assist in identifying diverse suppliers and incorporate sustainability elements into commercial activities.

Not only do we review a potential supplier’s operational, technical and financial performance, we also perform compliance due diligence. We screen potential suppliers across compliance areas such as sanctions, anti-corruption and human trafficking using third-party information.

2022 notable metrics

$5.3 billion total spent on goods and services

3,600 suppliers across Canada
Respecting Human Rights

Imperial’s commitment to respecting human rights is embedded throughout our corporate policies, practices and expectations.

Our practices are guided by the goals of universally recognized human rights principles and support our integrated approach to identifying and mitigating potential human rights impacts of our activities. We strive to have a positive influence on our workforce and in the communities where we operate. Imperial condemns human rights violations in any form. We do not utilize forced or compulsory labour in our operations and forbid the use of children in our workforce.

Our respect for the rights of our workforce and those within the communities where we operate is embedded throughout our corporate policies, practices and expectations and reflect the spirit and intent of the United Nations Universal Declaration of Human Rights. They also support the International Labour Organization 1998 Declaration on Fundamental Principles and Rights at Work (ILO Declaration), including:

• Freedom of association and effective recognition of the right to collective bargaining.
• Elimination of all forms of forced or compulsory labour.
• Effective abolition of child labour.
• Elimination of discrimination in respect of employment and occupation.

Our policies and practices also incorporate elements of the 2011 U.N. Guiding Principles on Business and Human Rights (UNGPs) “Protect, Respect and Remedy” framework for the distinct but complementary roles of businesses and governments regarding human rights including commitments, due diligence and access to remedy.

Integration into our policies and practices

While Imperial is not a formal signatory to the U.N. Global Compact, a voluntary corporate initiative in support of U.N. goals, our Standards of Business Conduct incorporates key elements of the pact.

• Our statement on labour and the workplace reinforces Imperial’s commitment to providing positive, productive and supportive work environments. Additionally, our Standards of Business Conduct provide a framework for responsible operations and are consistent with the spirit and intent of the ILO Declaration.
• Our statement of supplier, vendor and contractor expectations call for the operations and business practices of these entities to be conducted in a manner consistent with the ILO Declaration, which recognizes freedom of association and includes the elimination of child labour, forced labour and workplace discrimination. They also communicate our expectations of respecting human rights in a manner consistent with the goals of the UNGP. Our suppliers, vendors and contractors are held to stringent compliance, anti-corruption, non-conflict, safety and other guidelines in order to remain in good standing.
United Nations Declaration on the Rights of Indigenous Peoples

In addition, we believe Indigenous reconciliation is the responsibility of all Canadians, including businesses. Imperial’s commitment to positive and progressive Indigenous relations is supported by our guiding principles and four Indigenous pillars of engagement, focused on consultation, workforce development, business development and community relations. Our consultation efforts are reflective of the principles of the United Nations Declaration on the Rights of Indigenous Peoples.

Imperial’s operations are located in Canada where the Canadian Charter of Rights and Freedom and provincial human rights legislation protects Canadians’ rights to be treated equally under the law.

Reinforced through training

Employees are introduced to the Standards of Business Conduct, which include Imperial’s foundation policies, upon commencement of employment. During employment, employees are reminded of the Standards of Business Conduct annually. Business practices training is required for employees every four years. This includes training on select foundation policies such as Ethics, as well as complaint procedures and open-door communication.

Due diligence

Our practices support early identification and assessment of potential human rights impacts, along with other potential socioeconomic impacts and opportunities associated with our activities. We work to avoid or reduce any human rights or socioeconomic risks through comprehensive planning, effective mitigation, monitoring and other measures. Our socioeconomic management practices are guided by our corporate Environmental Aspects Guide (EAG) and consistent with our Environment Policy and Operations Integrity Management System (OIMS).

Access to remedy

We help provide effective, accessible and culturally appropriate channels for individuals or communities to raise concerns through our community and operations-level grievance management processes, as well as our complaint procedures and open-door communication for employees.
About this Report

Imperial’s sustainability report summarizes our approach to managing our operations and describes our environment, social and governance (ESG) performance.

Performance data presented in this report reflects our activities from Jan. 1 to Dec. 31, 2022, unless otherwise stated. Information regarding events or activities in the first half of 2023 may also be included.

**Identifying sustainability risks and opportunities**

Imperial has a robust issues and opportunities management process to identify and prioritize key actions for the company, which help inform our sustainability priorities.

This issues and opportunities process includes analysis that considers stakeholder input, issues research, trends assessment and potential business impact. The process ensures these items receive the appropriate level of management attention so strategies can be developed to mitigate risk or progress opportunities. Oversight responsibilities by the management committee and the board and its committees, as described on page 10, are a key part of risk governance.
Relevant frameworks

The reporting guidelines and indicators in the Sustainability Reporting Guidance for the Oil and Gas Industry (fourth edition, 2020) developed by Ipieca, the American Petroleum Institute (API), and the International Association of Oil & Gas Producers (IOGP) informed this report. This report also cross-references Global Reporting Initiative Standards (GRI) and the Sustainability Accounting Standards Board (SASB). A SASB content index is included on page 68 of this report to highlight where our disclosures overlap with SASB metrics.

Imperial recognizes the importance of the United Nations Sustainable Development Goals (SDGs) and contribute to many of these goals throughout our business. The SDGs identified below represent those most relevant to our focus areas in this report.

Our Advancing Climate Solutions report is guided by the Financial Stability Board’s Task Force on Climate-Related Financial Disclosures (TCFD).

LRQA Inc. has confirmed our Operations Integrity Management System meets the requirements of the international standard for Environmental Management systems, ISO 14001 and Occupational Health & Safety Management Systems, ISO 45001. They have also certified that our Global Product Quality Management System used at our Sarnia facility, and applicable for manufacture and distribution of petrochemical and polymer products, meets the intent of ISO 9001. In addition, LRQA Inc. has confirmed our distribution of lubricating oils and greases meets ISO 14001:2015 standards.

Business controls outlined in our Controls Integrity Management System (CIMS) meet or exceed the requirements of the Sarbanes-Oxley Act and the New York Stock Exchange (NYSE) American listing standards. Assessments are performed annually confirming that our internal controls system is sound.

Our financial reporting is in accordance with regulatory requirements and United States Generally Accepted Accounting Principles.

Additionally, as required by provincial regulation in Alberta and Ontario, our greenhouse gas emissions are third-party verified.

UN SDGs most relevant to Imperial’s focus areas
Performance Data

Imperial is committed to providing our shareholders and stakeholders with meaningful information about our business. Our sustainability performance table and metrics include environmental, social and governance data up to year-end 2022.

<table>
<thead>
<tr>
<th>Environment</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
<th>2021</th>
<th>2022</th>
</tr>
</thead>
<tbody>
<tr>
<td>Air emissions</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sulphur oxides (expressed as SO₂ — thousand metric tonnes/year)</td>
<td>24.0</td>
<td>23.3</td>
<td>19.1</td>
<td>26.0</td>
<td>24.6</td>
</tr>
<tr>
<td>Nitrogen oxides (thousand metric tonnes/year)</td>
<td>17.7</td>
<td>18.3</td>
<td>16.4</td>
<td>17.5</td>
<td>17.4</td>
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<tr>
<td>Volatile organic compounds (thousand metric tonnes/year)</td>
<td>10.7</td>
<td>9.6</td>
<td>10.9</td>
<td>10.1</td>
<td>12.5</td>
</tr>
<tr>
<td>Particulate Matter (PM10) (thousand metric tonnes/year)</td>
<td>8.3</td>
<td>9.6</td>
<td>7.8</td>
<td>12.3</td>
<td>12.3</td>
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<table>
<thead>
<tr>
<th>GHG emissions and energy consumption</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
<th>2021</th>
<th>2022</th>
</tr>
</thead>
<tbody>
<tr>
<td>Direct GHG emissions — including cogeneration</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Downstream &amp; Chemical (million metric tonnes of CO₂e)</td>
<td>4.7</td>
<td>4.4</td>
<td>4.6</td>
<td>4.9</td>
<td>5.1</td>
</tr>
<tr>
<td>Carbon dioxide emissions (million metric tonnes)</td>
<td>4.6</td>
<td>4.4</td>
<td>4.5</td>
<td>4.9</td>
<td>5.0</td>
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<tr>
<td>Methane emissions (million metric tonnes)</td>
<td>0.0011</td>
<td>0.0012</td>
<td>0.0011</td>
<td>0.0012</td>
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<tr>
<td>Nitrous oxide emissions (million metric tonnes)</td>
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<td>0.0001</td>
<td>0.0001</td>
<td>0.0001</td>
<td>0.0001</td>
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<tr>
<td>Upstream (million metric tonnes of CO₂e)</td>
<td>8.4</td>
<td>8.7</td>
<td>8.4</td>
<td>8.9</td>
<td>9.1</td>
</tr>
<tr>
<td>Carbon dioxide emissions (million metric tonnes)</td>
<td>8.3</td>
<td>8.6</td>
<td>8.4</td>
<td>8.9</td>
<td>9.0</td>
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<tr>
<td>Methane emissions (million metric tonnes)</td>
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<td>0.0020</td>
<td>0.0010</td>
<td>0.0012</td>
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<tr>
<td>Nitrous oxide emissions (million metric tonnes)</td>
<td>0.0003</td>
<td>0.0001</td>
<td>0.0001</td>
<td>0.0001</td>
<td>0.0001</td>
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<tr>
<td>Operated oil sands (million metric tonnes of CO₂e)</td>
<td>8.3</td>
<td>8.5</td>
<td>8.3</td>
<td>8.8</td>
<td>8.9</td>
</tr>
<tr>
<td>Carbon dioxide emissions (million metric tonnes)</td>
<td>0.0016</td>
<td>0.0017</td>
<td>0.0010</td>
<td>0.0012</td>
<td>0.0012</td>
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<tr>
<td>Methane emissions (million metric tonnes)</td>
<td>0.0003</td>
<td>0.0001</td>
<td>0.0001</td>
<td>0.0001</td>
<td>0.0001</td>
</tr>
</tbody>
</table>

Imported electricity and associated indirect GHG emissions

| Direct GHG emissions — imported electricity (million MWhr) | 1.09 | 1.09 | 1.07 | 0.82 | 0.87 |
| Direct GHG emissions — associated indirect GHG emissions (million metric tonnes of CO₂e) | 0.40 | 0.40 | 0.40 | 0.30 | 0.32 |
| Upstream — imported electricity (million MWhr) | 0.95 | 1.07 | 1.05 | 1.02 | 1.11 |
| Upstream — associated indirect GHG emissions (million metric tonnes of CO₂e) | 0.35 | 0.39 | 0.39 | 0.38 | 0.41 |
| Operated oil sands — imported electricity (million MWhr) | 0.94 | 1.07 | 1.05 | 1.02 | 1.11 |
| Operated oil sands — associated indirect GHG emissions (million metric tonnes of CO₂e) | 0.35 | 0.39 | 0.39 | 0.38 | 0.41 |
## Environment

<table>
<thead>
<tr>
<th></th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
<th>2021</th>
<th>2022</th>
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</thead>
<tbody>
<tr>
<td>Exported electricity and associated GHG emissions</td>
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<td></td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>Downstream &amp; Chemical — exported electricity (million MWhr)</td>
<td>0.00</td>
<td>0.00</td>
<td>0.01</td>
<td>0.00</td>
<td>0.00</td>
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<tr>
<td>Downstream &amp; Chemical — associated GHG emissions (million metric tonnes of CO₂e)</td>
<td>0.00</td>
<td>0.00</td>
<td>0.00</td>
<td>0.00</td>
<td>0.00</td>
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<tr>
<td>Upstream — exported electricity (million MWhr)</td>
<td>1.55</td>
<td>1.50</td>
<td>1.45</td>
<td>1.48</td>
<td>1.47</td>
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<tr>
<td>Upstream — associated GHG emissions (million metric tonnes of CO₂e)</td>
<td>0.57</td>
<td>0.56</td>
<td>0.54</td>
<td>0.55</td>
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<tr>
<td>Operated oil sands — exported electricity (million MWhr)</td>
<td>1.55</td>
<td>1.49</td>
<td>1.45</td>
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<td>1.46</td>
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<tr>
<td>Operated oil sands — associated GHG emissions (million metric tonnes of CO₂e)</td>
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<td>0.55</td>
<td>0.54</td>
<td>0.54</td>
<td>0.54</td>
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<tr>
<td>GHG emissions</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Downstream &amp; Chemical (million metric tonnes of CO₂e)</td>
<td>5.1</td>
<td>4.9</td>
<td>5.0</td>
<td>5.2</td>
<td>5.4</td>
</tr>
<tr>
<td>Upstream (million metric tonnes of CO₂e)</td>
<td>8.2</td>
<td>8.5</td>
<td>8.3</td>
<td>8.8</td>
<td>8.9</td>
</tr>
<tr>
<td>Operated oil sands (million metric tonnes of CO₂e)</td>
<td>8.2</td>
<td>8.4</td>
<td>8.2</td>
<td>8.7</td>
<td>8.9</td>
</tr>
<tr>
<td>Production/throughput</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Downstream &amp; Chemical — refining throughput (million m³)</td>
<td>23</td>
<td>20</td>
<td>20</td>
<td>22</td>
<td>24</td>
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<tr>
<td>Upstream — production (million m³)</td>
<td>22</td>
<td>21</td>
<td>22</td>
<td>25</td>
<td>24</td>
</tr>
<tr>
<td>Operated oil sands — production (million m³)</td>
<td>21</td>
<td>21</td>
<td>22</td>
<td>24</td>
<td>24</td>
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<tr>
<td>GHG emissions intensity</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Downstream &amp; Chemical (metric tonnes of CO₂e/m³ refining throughput)</td>
<td>0.22</td>
<td>0.24</td>
<td>0.25</td>
<td>0.24</td>
<td>0.22</td>
</tr>
<tr>
<td>Upstream (metric tonnes of CO₂e/m³ upstream production)</td>
<td>0.38</td>
<td>0.40</td>
<td>0.38</td>
<td>0.35</td>
<td>0.37</td>
</tr>
<tr>
<td>Operated oil sands (metric tonnes of CO₂e/m³ upstream production)</td>
<td>0.38</td>
<td>0.40</td>
<td>0.38</td>
<td>0.36</td>
<td>0.38</td>
</tr>
<tr>
<td>Total energy use (million gigajoules)</td>
<td>227</td>
<td>227</td>
<td>225</td>
<td>236</td>
<td>243</td>
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<tr>
<td>Fuels refining Solomon EII® — normalized versus 1990</td>
<td>0.790</td>
<td>0.809</td>
<td>0.822</td>
<td>0.804</td>
<td>0.756</td>
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<tr>
<td>Flaring and venting</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Hydrocarbon flaring — company total (million cubic feet per day)</td>
<td>5.9</td>
<td>6.2</td>
<td>4.9</td>
<td>4.7</td>
<td>4.7</td>
</tr>
<tr>
<td>Hydrocarbon flaring — from upstream oil production (million cubic feet per day)</td>
<td>3.1</td>
<td>2.8</td>
<td>2.6</td>
<td>2.2</td>
<td>2.0</td>
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<tr>
<td>Water consumption</td>
<td></td>
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<td></td>
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<td></td>
</tr>
<tr>
<td>Freshwater consumption</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Downstream &amp; Chemical (million m³ of fresh water consumed)</td>
<td>10.1</td>
<td>9.8</td>
<td>10.3</td>
<td>11.1</td>
<td>11.0</td>
</tr>
<tr>
<td>Upstream (million m³ of fresh water consumed)</td>
<td>35.2</td>
<td>39.3</td>
<td>43.0</td>
<td>26.5</td>
<td>28.7</td>
</tr>
<tr>
<td>Fresh water consumption intensity</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Downstream &amp; Chemical (m³ of fresh water consumed/m³ refining throughput)</td>
<td>0.44</td>
<td>0.48</td>
<td>0.52</td>
<td>0.50</td>
<td>0.45</td>
</tr>
<tr>
<td>Upstream (m³ of fresh water consumed/m³ upstream production)</td>
<td>1.63</td>
<td>1.83</td>
<td>1.95</td>
<td>1.07</td>
<td>1.20</td>
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### Environment

<table>
<thead>
<tr>
<th>Compliance</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
<th>2021</th>
<th>2022</th>
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<tbody>
<tr>
<td>Oil and chemical spills (total number) &gt; 1 barrel</td>
<td>13</td>
<td>10</td>
<td>7</td>
<td>6</td>
<td>10</td>
</tr>
<tr>
<td>Volume of product from oil and chemical spills (barrels)</td>
<td>231</td>
<td>402</td>
<td>136</td>
<td>39</td>
<td>203</td>
</tr>
<tr>
<td>Number of environmental exceedance incidents</td>
<td>11</td>
<td>11</td>
<td>18</td>
<td>14</td>
<td>15</td>
</tr>
<tr>
<td>Environmental fines and penalties (thousands of dollars)</td>
<td>$812</td>
<td>$406</td>
<td>$0</td>
<td>$0</td>
<td>$0</td>
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<table>
<thead>
<tr>
<th>Waste management</th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Hazardous waste disposed from operations (thousand tonnes)</td>
<td>34.0</td>
<td>28.2</td>
<td>24.7</td>
<td>30.7</td>
<td>22.0</td>
</tr>
<tr>
<td>Hazardous waste — external beneficial reuse (thousand tonnes)</td>
<td>3.3</td>
<td>9.2</td>
<td>6.4</td>
<td>8.7</td>
<td>8.2</td>
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### Investments

<table>
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<tr>
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<th>2018</th>
<th>2019</th>
<th>2020</th>
<th>2021</th>
<th>2022</th>
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</thead>
<tbody>
<tr>
<td>Gross research expenditures, before credits (millions of dollars)</td>
<td>$150</td>
<td>$170</td>
<td>$140</td>
<td>$125</td>
<td>$105</td>
</tr>
<tr>
<td>Environmental expenditures (millions of dollars)</td>
<td>$600</td>
<td>$800</td>
<td>$600</td>
<td>$1,100</td>
<td>$1,400</td>
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### Economic development

<table>
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<tr>
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<th>2018</th>
<th>2019</th>
<th>2020</th>
<th>2021</th>
<th>2022</th>
</tr>
</thead>
<tbody>
<tr>
<td>Capital and exploration expenditures (billions of dollars)</td>
<td>$1.4</td>
<td>$1.8</td>
<td>$0.9</td>
<td>$1.1</td>
<td>$1.5</td>
</tr>
<tr>
<td>Payments for goods and services (billions of dollars, approximate)</td>
<td>$4.72</td>
<td>$5.26</td>
<td>$4.23</td>
<td>$3.80</td>
<td>$5.30</td>
</tr>
<tr>
<td>Taxes and royalties to government (billions of dollars)</td>
<td>$5.60*</td>
<td>$6.14</td>
<td>$4.30</td>
<td>$6.83</td>
<td>$10.00</td>
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### Employment

<table>
<thead>
<tr>
<th></th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
<th>2021</th>
<th>2022</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of regular employees at year end</td>
<td>5,700</td>
<td>6,000</td>
<td>5,800</td>
<td>5,400</td>
<td>5,300</td>
</tr>
<tr>
<td>Percentage of women at year end</td>
<td>24</td>
<td>24</td>
<td>23</td>
<td>23</td>
<td>22</td>
</tr>
<tr>
<td>Percentage of visible minorities at year end</td>
<td>13</td>
<td>13</td>
<td>13</td>
<td>13</td>
<td>13</td>
</tr>
<tr>
<td>Percentage of persons with disabilities at year end</td>
<td>2</td>
<td>4</td>
<td>3</td>
<td>4</td>
<td>3</td>
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### Indigenous

<p>| | | | | | |</p>
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<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Spending with Indigenous businesses (direct and subcontracted) (millions of dollars)</td>
<td>$250</td>
<td>$370</td>
<td>$335</td>
<td>$447</td>
<td>$762</td>
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<tr>
<td>Percentage of Indigenous Peoples at year end</td>
<td>4</td>
<td>4</td>
<td>4</td>
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### Community engagement

<table>
<thead>
<tr>
<th></th>
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<th>2019</th>
<th>2020</th>
<th>2021</th>
<th>2022</th>
</tr>
</thead>
<tbody>
<tr>
<td>Community investment (millions of dollars)</td>
<td>$17.2</td>
<td>$15.3</td>
<td>$15.4</td>
<td>$17.0</td>
<td>$17.5</td>
</tr>
<tr>
<td>Hours volunteered</td>
<td>3,598</td>
<td>14,381</td>
<td>5,105</td>
<td>6,211</td>
<td>8,509</td>
</tr>
<tr>
<td>Contributions to United Way – Centraide campaigns (millions of dollars)</td>
<td>$3.2</td>
<td>$3.3</td>
<td>$3.1</td>
<td>$3.0</td>
<td>$2.8</td>
</tr>
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### Safety

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<th>2019</th>
<th>2020</th>
<th>2021</th>
<th>2022</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fatalities — employees and contractors</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Lost-time incident frequency — employees per 200,000 hours worked</td>
<td>0.03</td>
<td>0.01</td>
<td>0.04</td>
<td>0.01</td>
<td>0.01</td>
</tr>
<tr>
<td>Lost-time incident frequency — contractors per 200,000 hours worked</td>
<td>0.03</td>
<td>0.05</td>
<td>0.05</td>
<td>0.03</td>
<td>0.00</td>
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<tr>
<td>Lost-time incident frequency — workforce per 200,000 hours worked</td>
<td>0.03</td>
<td>0.04</td>
<td>0.04</td>
<td>0.02</td>
<td>0.01</td>
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<tr>
<td>Total recordable incident frequency — employees per 200,000 hours worked</td>
<td>0.13</td>
<td>0.09</td>
<td>0.20</td>
<td>0.22</td>
<td>0.14</td>
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<tr>
<td>Total recordable incident frequency — contractors per 200,000 hours worked</td>
<td>0.36</td>
<td>0.34</td>
<td>0.34</td>
<td>0.45</td>
<td>0.41</td>
</tr>
<tr>
<td>Total recordable incident frequency — workforce per 200,000 hours worked</td>
<td>0.27</td>
<td>0.25</td>
<td>0.27</td>
<td>0.34</td>
<td>0.29</td>
</tr>
<tr>
<td>Number of Tier 1 Process Safety events</td>
<td>2</td>
<td>5</td>
<td>3</td>
<td>3</td>
<td>4</td>
</tr>
<tr>
<td>Number of Tier 2 Process Safety events</td>
<td>16</td>
<td>10</td>
<td>8</td>
<td>14</td>
<td>11</td>
</tr>
<tr>
<td>Tier 1 Process Safety event rate — per million hours worked</td>
<td>0.06</td>
<td>0.12</td>
<td>0.09</td>
<td>0.08</td>
<td>0.12</td>
</tr>
<tr>
<td>Tier 2 Process Safety event rate — per million hours worked</td>
<td>0.44</td>
<td>0.25</td>
<td>0.25</td>
<td>0.38</td>
<td>0.34</td>
</tr>
</tbody>
</table>

### Corporate governance

<table>
<thead>
<tr>
<th></th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
<th>2021</th>
<th>2022</th>
</tr>
</thead>
<tbody>
<tr>
<td>Corporate political contributions (thousands of dollars)</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Common shares outstanding (millions of shares)</td>
<td>783</td>
<td>744</td>
<td>734</td>
<td>678</td>
<td>584</td>
</tr>
<tr>
<td>Dividends paid (millions of dollars)</td>
<td>572</td>
<td>631</td>
<td>649</td>
<td>706</td>
<td>851</td>
</tr>
</tbody>
</table>

Note: Adjustments may have been made to some data points to reflect internal updates. All references to financial information is in Canadian dollars.

(i) Some uncertainty exists in performance data, depending on measurement methods. Data in the report and performance data table represent the best available information at the time of publication. Data represents Imperial owned and operated assets (including 100% interest in Kearl, Cold Lake and Norman Wells, excluding ExxonMobil Canada, XTO Canada and Syncrude). Retail stations (sold in 2016) and other assets that were divested between 2016–2020 are not included.

(ii) Reported emissions, reductions, and avoidance performance data are based on a combination of measured and estimated emissions data. Greenhouse Gas (GHG) emissions were quantified based on applicable provincial and federal regulations. Imported/exported electricity GHG emission factor (0.37 tonnes CO₂e/MWhr).

As required by provincial regulation in Alberta and Ontario, our greenhouse gas emissions are third-party verified. There is uncertainty associated with the emissions, reductions, and avoidance performance data due to variation in the processes and operations, the availability of sufficient data, quality of those data and methodology used for measurement and estimation. Performance data may include rounding of subcategories. Changes to the performance data may be reported as part of the company’s annual publications as new or updated data and/or emission methodologies become available.

(iii) Excluding CO₂ emissions from biomass.

(iv) GHG emissions calculated as sum of direct emissions and emissions associated with imported electricity less (minus) emissions associated with exported electricity.

(v) Throughput basis: Refinery throughput is the volume of crude oil and feedstocks that is processed in the refinery atmospheric distillation units.

(vi) Production basis: Represents bitumen/crude production at Kearl, Cold Lake and Norman wells, Kearl and Cold Lake production basis same as reported under Alberta greenhouse gas emissions regulation. In 2022 our GHG intensity at our operated oil sands increased slightly due to lower production at Kearl and increased natural gas usage.

(vii) Production basis: Operated oil sands (Kearl and Cold Lake) production basis same as reported under Alberta greenhouse gas emissions regulation. Note: In 2022 our GHG intensity at our operated oil sands increased slightly due to lower production at Kearl and increased natural gas usage.

(viii) GHG emissions intensity is the ratio of GHG emissions to production or throughput.

(ix) Solomon EII® is a measure of energy efficiency for petroleum refineries. A lower energy intensity index number indicates a more energy-efficient facility. Values have been calculated using Solomon methodology.

(x) Environmental fines and penalties:

- 2018 penalty for 2015 release to air incident in Sarnia
- 2019 penalty for 2016 release to the St. Clair river

(xi) Includes spending for Imperial and ExxonMobil companies in Canada. Excludes spending for ExxonMobil Canada East.

(xii) Regular employees are defined as active executive, management, professional, technical and wage employees who work full-time or part-time for the company and are covered by the company’s benefit plans and programs.

(xiii) Includes executive, management, professional, technical and wage employees who are covered by the company’s benefit plans and programs.

(xiv) Values reported using the London Benchmark Group Model — the global standard for measuring and reporting community investment.

(xv) ImPACT program initiated in 2019 improving reporting capabilities. Imperial’s 2020 and 2021 volunteer hours impacted by COVID 19 restrictions.

(xvi) Represents combined donations from the company, employees and retirees.

(xvii) Imperial no longer makes political contributions as of January 1, 2018.

(xviii) For complete disclosure and additional information, see the 2022 Annual financial statements and management discussion and analysis.

* In 2018, the Territories had a net refund of approximately $0.03 billion.

### Related documents

- 2022 10-K Annual Report
  - https://www.imperialoil.ca/investors/investor-relations
- 2022 51-101
  - https://www.sedarplus.ca/landingpage/
Cautionary Statement

Statements of future events or conditions in this report, including projections, goals, ambitions, expectations, estimates, business plans and descriptions of strategic and emission reduction goals are forward-looking statements. Similarly, emission-reduction pathways and roadmaps are dependent on future market factors, such as continued technological progress and policy support, and also represent forward-looking statements. Forward-looking statements can be identified by words such as believe, anticipate, propose, plan, goal, predict, estimate, expect, strategy, outlook, future, continue, likely, may, should, will and similar references to future periods. Forward-looking statements in this report include, but are not limited to, references to Imperial's company-wide Scope 1 and 2 net-zero goal by 2050; the ability to provide transition solutions for the company and its customers; the impact of participation in the Oil Sands Pathways to Net Zero alliance and other collaboration efforts; the company's climate strategy over the short, medium and long term, including the timing, development, and impact of specific technologies methodologies or strategies including in respect of reducing air emissions, water withdrawal rates, contaminant levels, impacts from seismic activity and plastic waste, and management of tailings fluids; plans and/or expectations of reducing SO₂, NOx and VOC emissions and flaring; plans to construct a renewable diesel facility at Strathcona, including reduction of CO₂ emissions; the exploration and development of markets for low carbon solutions and potential technology deployment pathways; the company’s ability to monitor potential shifts in the energy landscape, improve asset performance and sustain a strong competitive position; the scale and impact of technology innovation; the effectiveness of the board's governance, oversight and risk management activities; and facility resiliency, preparedness and response systems.

Forward-looking statements are based on the company’s current expectations, estimates, projections and assumptions at the time the statements are made. Actual future financial and operating results, including expectations and assumptions concerning demand growth and energy source, supply and mix; commodity prices; production rates, growth and mix across various assets; project plans, timing, costs, technical evaluations and capacities, and the company’s ability to effectively execute these plans and operate its assets; production life, resource recoveries and reservoir performance; plans to mitigate climate risk and the resilience of company strategy to a range of pathways for society’s energy transition; the adoption and impact of new facilities or technologies on capital efficiency, production and reductions to GHG emissions intensity; the amount and timing of emissions reductions; that any required support from policymakers and other stakeholders for various new technologies such as carbon capture and storage will be provided; applicable laws and government policies, including with respect to climate change, low carbon fuel and GHG emissions reductions; receipt of regulatory approvals; financing sources and capital structure; and capital and environmental expenditures; could differ materially depending on a number of factors. These factors include political or regulatory events, including changes in law or government policy; environmental risks inherent in oil and gas activities; environmental regulation, including climate change and greenhouse gas regulation and changes to such regulation; failure or delay of supportive policy and market development for emerging lower-emission energy technologies; the receipt, in a timely manner, of regulatory and third-party approvals; the results of research programs and new technologies, including with respect to greenhouse gas emissions, and the ability to bring new technologies to scale on a commercially competitive basis; availability and allocation of capital; availability and performance of third-party service providers; unanticipated technical or operational difficulties; global, regional or local changes in supply and demand for oil, natural gas, and petroleum and petrochemical products and resulting price, differential and margin impacts; management effectiveness and disaster response preparedness; project management and schedules and timely completion of projects; unexpected technological developments; third-party opposition to company and service provider operations, projects and infrastructure; reservoir analysis and performance; the ability to develop or acquire additional reserves; operational hazards and risks; cybersecurity incidents; general economic conditions; and other factors discussed in Item 1A risk factors and Item 7 management’s discussion and analysis of the company’s most recent annual report on Form 10-K and subsequent interim reports on Form 10-Q.

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 Imperial. Imperial’s actual results may differ materially from those expressed or implied by its forward-looking statements and readers are cautioned not to place undue reliance on them. Imperial undertakes no obligation to update any forward-looking statements contained herein, except as required by applicable law.

References to “oil” and “gas” include crude, natural gas liquids, bitumen, synthetic oil, and natural gas. The term “project” as used in this report can refer to a variety of different activities and does not necessarily have the same meaning as in any government payment transparency reports.

The reference case for planning beyond 2030 is based on the ExxonMobil's Energy Outlook research and publication, which contains demand and supply projections based on assessment of current trends in technology, government policies, consumer preferences, geopolitics, and economic development. Reflective of the existing global policy environment, the Energy Outlook does not project the degree of required future policy and technology advancement and deployment for the world, or Imperial, to meet net-zero goals by 2050. As future policies and technology advancements emerge, they will be incorporated into the Outlook, and the company’s business plans will be updated accordingly.
### SASB Content Index

The index below highlights where our disclosures overlap with SASB metrics.

<table>
<thead>
<tr>
<th>Environmental management</th>
<th>SASB code</th>
<th>Imperial disclosure</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Climate</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Gross GHG emissions data &amp; energy consumption</td>
<td>EM-MM-110a.1, EM-EP-110a.1, EM-RM-110a.1, EM-MM-130a.1</td>
<td>Sustainability report performance tables pgs 63–64. 100 per cent of Imperial’s upstream Scope 1 GHG emissions are covered under carbon pricing regulation.</td>
</tr>
<tr>
<td>Discussion of how price and demand for hydrocarbons and/or climate regulation influence the capital expenditure strategy for exploration, acquisition, and development of assets</td>
<td>EM-EP-420a.4</td>
<td>Advancing Climate Solutions report</td>
</tr>
<tr>
<td>Discussion of corporate positions related to government regulations and/or policy proposals that address environmental and social factors affecting the industry</td>
<td>EM-RM-530a.1, EM-EP-530a.1</td>
<td>Imperial’s 2022 10-K Annual Report, Advancing Climate Solutions report pgs 28-30</td>
</tr>
<tr>
<td><strong>Air emissions</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Air emissions data for NOx, SOx, VOCs and PM10</td>
<td>EM-MM-120a.1, EM-EP-120a.1</td>
<td>Sustainability report performance tables pg 63</td>
</tr>
<tr>
<td>Number of refineries in or near areas of dense population</td>
<td>EM-RM-120a.2</td>
<td>Imperial operates the following three refineries: Strathcona, Sarnia, and Nanticoke Sustainability report operations overview pg 05</td>
</tr>
<tr>
<td><strong>Water</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Freshwater withdrawn and consumed. Discussion on locations located in water-stressed areas.</td>
<td>EM-MM-140a.1, EM-EP-140a.1, EM-RM-140a.1</td>
<td>Sustainability report, water management section and performance tables see pgs 22 &amp; 64</td>
</tr>
<tr>
<td><strong>Land and biodiversity</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Number and aggregate volume of hydrocarbon or chemical spills</td>
<td>EM-EP-160a.2</td>
<td>Sustainability report performance tables pg 65. Zero spills in the arctic or impacting shorelines.</td>
</tr>
<tr>
<td>Reserves in or near sites with protected conservation status or endangered species habitat</td>
<td>EM-MM-160a.3, EM-EP-160a.3</td>
<td>47 per cent of Imperial’s oil sands mineral tenure is within caribou habitat as identified on pg 27 of the Sustainability report. Caribou is not a protected or endangered species, however, it has been listed as threatened under the federal Species At Risk Act. None of Imperial’s operating assets are located in protected areas.</td>
</tr>
<tr>
<td>Environmental management</td>
<td>SASB code</td>
<td>Imperial disclosure</td>
</tr>
<tr>
<td>-----------------------------------------------</td>
<td>----------------------</td>
<td>--------------------------------------------------------------------------------------</td>
</tr>
<tr>
<td><strong>Tailings management</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Description of tailings management system</td>
<td>EM-MM-540a.2</td>
<td>Sustainability report, tailings section pg 31</td>
</tr>
<tr>
<td><strong>Waste management</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Amount of hazardous waste generated</td>
<td>EM-MM-150a.7</td>
<td>Sustainability report performance tables pg 65</td>
</tr>
<tr>
<td></td>
<td>EM-RM-150a.1</td>
<td></td>
</tr>
<tr>
<td>Amount of hazardous waste for external beneficial reuse</td>
<td>EM-MM-150a.8</td>
<td>Sustainability report performance tables pg 65</td>
</tr>
<tr>
<td></td>
<td>EM-RM-150a.1</td>
<td></td>
</tr>
<tr>
<td>Description of waste and hazardous materials management policies and procedures</td>
<td>EM-MM-150a.10</td>
<td>Sustainability report, waste management section pg 32</td>
</tr>
<tr>
<td><strong>Environmental compliance</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Number of incidents of non-compliance</td>
<td>EM-MM-140a.2</td>
<td>All environmental exceedance incidents reported in Sustainability report performance tables pg 65</td>
</tr>
<tr>
<td></td>
<td>EM-RM-140a.2</td>
<td>Three exceedance incidents associated with water; zero exceedance incidents associated with hazardous waste.</td>
</tr>
<tr>
<td></td>
<td>EM-MM-150a.9</td>
<td></td>
</tr>
<tr>
<td><strong>People</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Workforce health &amp; safety</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Safety data including TRIR, LTIR and fatality rate for employees and contractors</td>
<td>EM-MM-320a.1</td>
<td>Sustainability report performance tables pg 66</td>
</tr>
<tr>
<td></td>
<td>EM-EP-320a.1</td>
<td></td>
</tr>
<tr>
<td></td>
<td>EM-RM-320a.1</td>
<td></td>
</tr>
<tr>
<td>Discussion of management systems used to integrate a culture of safety</td>
<td>EM-EP-320a.2</td>
<td>Sustainability report, safety section pgs 35-38</td>
</tr>
<tr>
<td></td>
<td>EM-RM-320a.2</td>
<td>Operations Integrity Management System</td>
</tr>
<tr>
<td>Process Safety Event (PSE) rates for Tier 1 and Tier 2 incidents</td>
<td>EM-EP-540a.1</td>
<td>Sustainability report performance tables pg 66</td>
</tr>
<tr>
<td></td>
<td>EM-RM-540a.1</td>
<td></td>
</tr>
<tr>
<td>Description of management systems used to identify and mitigate process safety events</td>
<td>EM-EP-540a.2</td>
<td>Sustainability report, safety and process safety section pgs 35 &amp; 37</td>
</tr>
<tr>
<td><strong>Human rights</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Discussion of human rights expectations</td>
<td>EM-MM-210a.3</td>
<td>Sustainability report, human rights section pgs 58-59 and supply chain management section pgs 56-57</td>
</tr>
<tr>
<td></td>
<td>EM-EP-210a.3</td>
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</tbody>
</table>
## Environmental management

### Indigenous and community engagement

<table>
<thead>
<tr>
<th>Description of engagement practices with Indigenous communities</th>
<th>SASB code</th>
<th>Imperial disclosure</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>EM-EP-210a.3</td>
<td></td>
</tr>
<tr>
<td>Discussion of process to manage risks and opportunities associated with community interests</td>
<td>EM-MM-210b.1</td>
<td>Sustainability report, stakeholder engagement section pg 47; community investment section pg 48; Indigenous engagement and reconciliation section pgs 51-55</td>
</tr>
<tr>
<td></td>
<td>EM-EP-210b.1</td>
<td>Indigenous Relations Principles and Guidelines</td>
</tr>
<tr>
<td>Number and duration of non-technical delays</td>
<td>EM-MM-210b.2</td>
<td>Sustainability report, relationship agreements with Indigenous communities and grievance mechanisms in place to prevent non-technical delays. See pgs 47 &amp; 51-55</td>
</tr>
<tr>
<td></td>
<td>EM-EP-210b.2</td>
<td></td>
</tr>
</tbody>
</table>

### Corporate governance

#### Ethics and integrity

<table>
<thead>
<tr>
<th>Description of the management system for prevention of corruption and bribery</th>
<th>SASB code</th>
<th>Imperial disclosure</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>EM-MM-510a.1</td>
<td>Sustainability report, corporate governance pgs 07-08 &amp; 16</td>
</tr>
<tr>
<td></td>
<td>EM-EP-510a.2</td>
<td>and supply chain management pgs 56-57</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Imperial’s Standards of Business Conduct</td>
</tr>
<tr>
<td>Production in countries that have the 20 lowest rankings in Transparency International’s Corruption Perception Index</td>
<td>EM-MM-510a.2</td>
<td>Imperial’s upstream production is located in Canada only.</td>
</tr>
<tr>
<td></td>
<td>EM-EP-510a.1</td>
<td></td>
</tr>
</tbody>
</table>

### Operations

| | SASB code | | |
|---------------------------------------------------------------|-----------|---------------------|
| Refining throughput of crude oil and other feedstock          | EM-RM-000.A | See Imperial’s 2022 10-K Annual Report |
| Refining operating capacity                                   | EM-RM-000.B | See Imperial’s 2022 10-K Annual Report |
Footnotes

(1) Scope 1 and 2.
(2) In 2022, Imperial had a total Lost Time Incident Rate (LTIR) of 0.01, matching a best-ever performance from 2016. Our contractor LTIR in 2022 was zero, a best-ever in the company’s recorded history.
(3) The Canadian Council for Aboriginal Business offers the Progressive Aboriginal certification program to recognize the positive relationships between businesses and Indigenous groups.
(4) For a definition of return on average capital employed, see the “Frequently used terms” section of Imperial’s most recent annual report on Form 10-K.
(5) See website for environmental policy detail.
(6) Our environmental management systems, in conjunction with operating approvals, include expectations for effective management of effluents. In the event of an environmental incident, an investigation is conducted and corrective actions taken as appropriate.
(7) Versus the five-year average up to and including 2019.
(8) Aqueduct tool.
(10) Mitigation Hierarchy Guide – CSBI
(11) http://beraproject.org
(13) We strive for zero spill incidents and take action by: using Imperial facility integrity management system; performing preventative maintenance and testing critical equipment in accordance with regulatory requirements; utilizing monitoring equipment to detect any events to mitigate the impact of incidents; and, building secondary containment such as ditches, ponds, sumps, sewers with pumping mechanisms, or clay pads with berms around production equipment such as wells, processing facilities, product and chemical storage areas.
(14) Every year London Benchmarking Group Canada audits our community investment portfolio and program to help us understand the total value to community of our cash and in-kind donations, our employee volunteer hours as well as our program management costs. Evaluation of our cash donations also reflects a portion of our community benefits agreements with Indigenous communities allocated to support community project funding including Indigenous leadership and capacity building.
After more than a century, Imperial continues to be an industry leader in applying technology and innovation to responsibly develop Canada’s energy resources. As Canada’s largest petroleum refiner, a major producer of crude oil, a key petrochemical producer and a leading fuels marketer from coast to coast, our company remains committed to high standards across all areas of our business.

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