

2023 Suncor Energy Inc. Annual Report for the Fighting Against Forced Labour and Child Labour in Supply Chains Act (Canada)

Introduction

This report is filed by Suncor Energy Inc. ("Suncor") and outlines the steps Suncor has taken during 2023, its most recently completed financial year, to prevent and reduce the risk that forced labour or child labour is used at any step of the production of goods in Canada or elsewhere by Suncor or of goods imported into Canada by Suncor.

This report is also jointly filed on behalf of the following entities: Suncor Energy Oil Sands Limited Partnership, Suncor Energy Marketing Inc., Suncor Energy Logistics Corp., Suncor Energy Services Inc., Suncor Energy Products Partnership, Suncor Energy Oil Sands Inc., Petro-Canada Hibernia Partnership, Petro-Canada Hebron Partnership, Suncor Energy Ventures Partnership, Fort Hills Energy Limited Partnership, Suncor Energy Operating Inc., Thebacha Limited Partnership, Canadian Oil Sands Partnership, Northern Courier Pipelines Limited Partnership

Suncor's Structure, Activities and Supply Chains

Suncor is an integrated energy company headquartered in Calgary, Alberta, Canada. Suncor's operations include oil sands development, production and upgrading; offshore oil production; petroleum refining in Canada and the U.S.; and the company's Petro-Canada™ retail and wholesale distribution networks (including Canada's Electric Highway™, a coast-to-coast network of fast-charging electric vehicle stations). Suncor is developing petroleum resources while advancing the transition to a low-emissions future through investments in power and renewable fuels. Suncor also conducts energy trading activities focused primarily on the marketing and trading of crude oil, natural gas, byproducts, refined products and power. Suncor's common shares (symbol: SU) are listed on the Toronto Stock Exchange (TSX) and the New York Stock Exchange (NYSE).

Suncor has classified its operations into the following segments:

Oil Sands

Suncor's Oil Sands segment produces bitumen from mining and in situ operations in northern Alberta. Bitumen is either upgraded into SCO or blended with diluent for either refinery feedstock or direct sale to market. This segment includes the marketing, supply, transportation and risk management of crude oil, power, and byproducts. This segment of Suncor's business includes Oil Sands Base and In Situ operations, Fort Hills, and Syncrude.

Exploration and Production

Suncor's E&P segment consists of offshore operations off the east coast of Canada, and onshore assets in Libya and Syria. This segment includes an operated asset (Terra Nova) and several non-operated equity investments offshore in Canada, as well as working interests in production sharing agreements in both Libya and Syria. This segment also includes the marketing and risk management of crude oil and natural gas.

Refining and Marketing

Suncor's R&M segment consists of two primary operations: refining, supply and marketing operations, as well as the infrastructure supporting the marketing, supply and risk management of refined products, crude oil, natural gas, power and by-products. This segment also includes the trading of crude oil, refined products, natural gas and power.

Corporate and Eliminations

This segment includes activities not directly attributable to any other operating segment, including debt and borrowing costs, expenses not allocated to other operating segments, investments in certain clean technologies and intersegment revenues and expenses.

Supply Chains

Suncor's suppliers are located across Canada and in 24 countries worldwide. In 2023, approximately 91% of Suncor's supply chain spend was within Canada and 99% was within North America. Suncor spent approximately \$16.8 billion with 6,173 suppliers in 2023. The majority of Suncor's purchased goods and services include: building and construction, plant management, industrial equipment, professional services, and mining equipment and services. In 2023, 75% of Suncor's spend was on services and 25% was on goods.

Supply Chain plays a big part in Suncor's continuing efforts to be a safe, cost-efficient, environmentally responsible and ethical energy producer and provider. We partner with suppliers who share our values and align with our strategic objectives. This means seeking opportunities to reduce environmental impacts, support the communities where we work and live, and collectively contribute to economic growth.

Policies, Due Diligence and Assessment of Effectiveness

Suncor's Human Rights Policy is available on Suncor's website (www.suncor.com).

Suncor's due diligence processes that relate to forced labour and child labour include:

- **Vendor Selection:** Potential vendors are assessed, including consideration of geographic location, human rights legislation and standard practices in those regions, and the nature of the work to be performed.
- **Supplier Code of Conduct:** Suncor's Supplier Code of Conduct highlights the values that are important to Suncor and is a guide to the standard of behaviour required of all suppliers, contractors, consultants and other third parties with whom Suncor does business. The Supplier Code of Conduct expressly prohibits the use of forced labour and child labour. Compliance with the Supplier Code of Conduct is a standard requirement for all Suncor supply chain contracts.
- **Vendor Technical Audits:** Suncor conducts numerous vendor technical audits every year which, in part, assess whether vendors have protections and processes in place to mitigate forced labour and child labour risks;
- **Risk Assessment:** Suncor conducts an annual human rights risk assessment, which includes an evaluation of the effectiveness of the controls Suncor has put in place to mitigate forced labour and child labour risks;
- **Monitoring:** Suncor reviews its global business activities on a quarterly basis to identify and assess activities in jurisdictions with elevated forced labour and child labour risks;
- **Policy and Regulatory Management System:** Suncor has a process for managing policy and regulatory issues that encompasses forced labour and child labour; and
- **Reporting Channels:** The Suncor Integrity Hotline is available to employees, suppliers, and the public to report matters of concern, including issues relating to forced labour and child labour.

Remediation Measures

Suncor did not identify any instances of forced labour or child labour in its supply chains during its previous financial year. Accordingly, no remediation measures were taken.

Training

All Suncor personnel are required to complete annual training on Suncor's Standards of Business Conduct Code, which is a guide to ethical decision making in support of Suncor's value to "Act with Integrity".

A targeted group of Suncor personnel have also taken a training program offered through IPIECA and the Sustainability School on labour rights in the oil & gas sector. This group of specialists includes representatives from Sustainability, Supply Chain and Legal Affairs.

Attestation

In accordance with the requirements of the Act, and in particular section 11 thereof, I, in my capacity as a director of Suncor, attest that I have reviewed the information contained in the report for the entities listed above. Based on my knowledge, and having exercised reasonable diligence, I attest that the information in the report is true, accurate and complete in all material respects for the purposes of the Act, for the reporting year listed above.

Full name: Richard M. Kruger

Title: Director

Date: March 21, 2024

Signature:



(I have the authority to bind Suncor Energy Inc.)