

# 2020 ESG Highlights

## Canadian Natural's leading performance

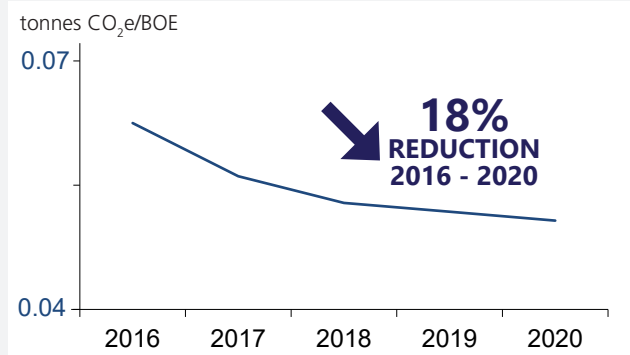


Canadian Natural has an integrated ESG approach that reflects a long-term commitment to sustainable development and creating value for stakeholders.

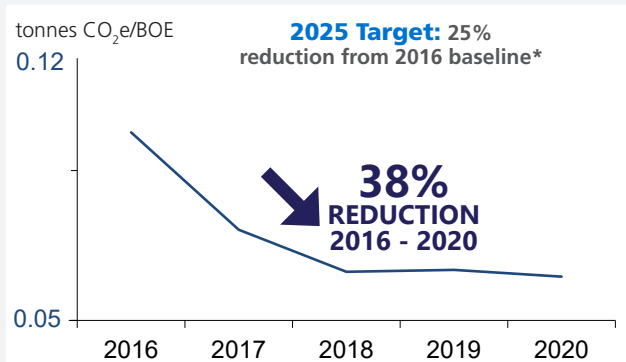
### ENVIRONMENT

#### GHG emissions

##### Corporate Scope 1 (Direct) GHG Emissions Intensity

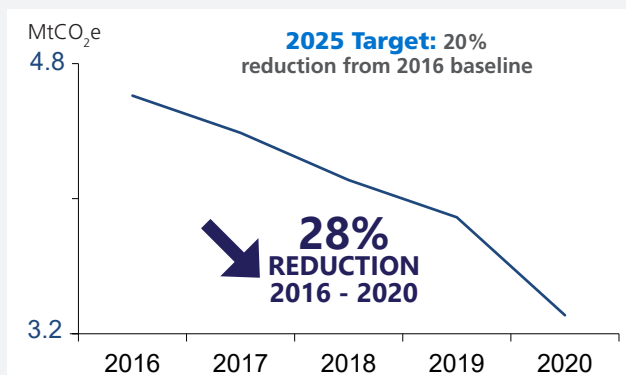


##### Oil Sands Mining and Thermal GHG Emissions Intensity



\*Includes Scope 1 and 2 emissions.

##### North America E&P Methane Emissions



#### New environmental targets

- **NA E&P methane target**  
50% reduction by 2030 from 2016 baseline
- **In situ fresh water use intensity target**  
40% reduction by 2026 from 2017 baseline
- **Oil sands mining fresh river water use intensity target**  
40% reduction by 2026 from 2017 baseline

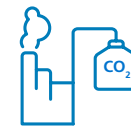
#### Innovation and technology



**\$3.9 billion**  
invested since 2009  
in Research and Development



**\$48 million**  
invested in 2020  
in GHG research, technologies  
and reduction projects



**Largest owner**  
**of carbon capture capacity**  
in the Canadian crude oil and natural  
gas sector; 6<sup>th</sup> largest globally

#### Journey to net zero

Our defined pathway is driving long-term GHG emissions reductions through an integrated emissions management strategy and investment in research and technology, on our journey to net zero oil sands emissions.

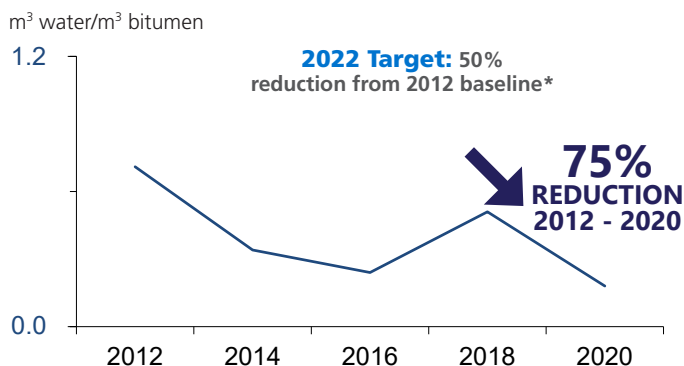
Near-Term Actions	
<ul style="list-style-type: none"> <li>• In-Pit Extraction Process (IPEP) pilot</li> <li>• Molten carbonate fuel cells pilot</li> <li>• Solvent Enhanced Oil Recovery (EOR) pilots</li> <li>• NRG Canada's Oil Sands Innovation Alliance (COSIA) Carbon XPRIZE</li> <li>• Enhanced detection and measurement technologies for fugitive emissions reduction</li> </ul>	<ul style="list-style-type: none"> <li>• Pneumatic retrofits</li> <li>• Advanced data analytics/digital operationalization</li> <li>• Carbon capture, utilization and storage (CCUS)                             <ul style="list-style-type: none"> <li>• Horizon's CO<sub>2</sub> utilization</li> <li>• Quest carbon capture and storage (CCS) project</li> <li>• North West Refinery (CO<sub>2</sub> utilization)/Alberta Carbon Trunk Line</li> </ul> </li> </ul>
Medium-Term Actions	
<ul style="list-style-type: none"> <li>• IPEP commercialization</li> <li>• Molten carbonate fuel cells commercialization</li> <li>• Solvent EOR commercialization</li> </ul>	<ul style="list-style-type: none"> <li>• Technology separating minerals from tailings stream</li> <li>• Leverage CCUS expertise to optimize projects</li> <li>• Advanced data analytics/digital operationalization</li> </ul>
Long-Term Actions	
<ul style="list-style-type: none"> <li>• Expand/develop future CCUS projects</li> <li>• Carbon capture and conversion (carbon fibers, asphalts, plastics)</li> <li>• Advanced data analytics/digital operationalization</li> </ul>	

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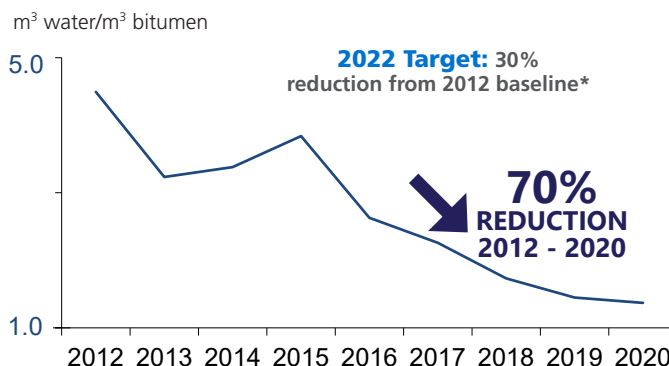
### Water use

#### In Situ Fresh Water Use Intensity



\*Includes Alberta thermal in situ facilities.

#### Oil Sands Mining Fresh River Water Use Intensity



\*Includes river water and tributaries.

### Reclamation



**Abandoned**  
**1,065**  
inactive wells  
in 2020; the most of any operator in Western Canada

**Reclamation certificates**  
**1,050**  
submitted  
**854**  
received

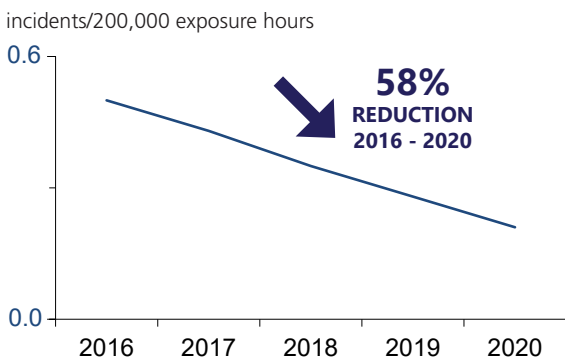
**Trees planted**  
**5.9**  
million  
to date

**Hectares reclaimed**  
**9,200**  
in North America E&P since 2016; equivalent to ~11,300 Canadian football fields  
**1,981**  
in oil sands mining to date

### SOCIAL

#### Health and Safety

##### Corporate TRIF vs Man-hours Worked



#### Economic contributions in 2020



**\$1.15**  
billion in Canada

- Royalties \$598 million
- Property taxes \$352 million
- Surface & mineral land leases \$204 million



**\$6.83**  
billion

total supply chain spending with 12,000+ suppliers worldwide



**82,060**  
Full time equivalent jobs

supported by operational and capital spending in Canada

##### Jobs breakdown

- Direct 15,950 jobs
- Indirect (suppliers) 46,065 jobs
- Induced (economy at large) 20,040 jobs

#### Community



**\$25**  
million  
total community investment

**\$490+**  
million  
in contracts with 159 Indigenous businesses

**\$1.4**  
million  
in COVID-19 related support to organizations and communities

**8,300+**  
volunteer hours from employees

### GOVERNANCE



**37.5%**  
female independent Directors of the Board, exceeding the Board gender diversity target of 30%

**Robust governance and risk management of ESG issues**

by Board of Directors and Management Committee

**ESG performance**  
is linked to executive compensation