Appendix

# **UNGC** communication on progress



Suncor joined the UNGC in 2001; we have integrated our commitment and implementation of the United Nations Global Compact (UNGC) principles throughout the report, and provided corresponding linkages to principles addressed in the table below.

- 1 Businesses should support and respect the protection of internationally proclaimed human rights
- 2 Business should make sure that they are not complicit in human right abuses

Suncor has a corporate responsibility to respect human rights and to ensure we are not complicit in human rights abuses. We seek to avoid infringing on the rights of others and strive to remedy harms that occur as a result of our activities. Suncor's commitment to respecting human rights is based on the Universal Declaration of Human Rights and is informed by the international law and standards.

We are guided by the following published policies and standards; Standards of Business Conduct, <u>Human Rights Policy</u>, <u>Stakeholder Relations Policy</u>, <u>Canadian Aboriginal Relations Policy</u> and our <u>Report</u> on Sustainability. These documents explicitly cover the basic rules, standards and behaviours that all employees, contractors, suppliers and business partners must follow. We are committed to training and communicating our approach to human rights as part of the implementation of these policies.

The president and chief executive officer of Suncor is accountable to the Board of Directors for ensuring policies are effectively implemented. All Suncor employees engaged in activities under Suncor's operational control are responsible for the application of this policy.

We encourage employees to raise concerns about suspected violations of our business conduct code without fear of reprisal with these teams/departments:

- Management
- Legal compliance
- Corporate Security
- Human Resources
- Internal Audit

In addition, we have established an integrity hotline that is available 24/7 to employees, contractors and the public. Any issues of a serious nature are investigated by Corporate Security or Human Resources. The audit committee receives regular updates on Integrity Hotline activities. As per the code, the vice-president responsible for internal audit is charged with maintaining the Integrity Hotline and ensuring all alleged code violations are thoroughly investigated.

- 3 Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining
- 4 The elimination of all forms of forced and compulsory labour
- 5 The effective abolition of child labour
- 6 The elimination of discrimination in respect of employment and occupation

Federal labour standards are established under Part III of the Canada Labour Code, which sets out minimum standards that federally regulated employers and employees must follow. Suncor's commitment to providing an environment free from harassment, violence, intimidation and other disruptive behaviours is outlined in Suncor's Harassment and Violence Free Working Environment Policy.

As stated in Suncor's Human Rights Policy, Suncor's employment policies adhere to all applicable domestic laws and honour internationally accepted labour standards, including those concerning freedom of association and collective bargaining, non-discrimination, forced labour, and underage workers in the workplace. A process for human rights impact assessment, undertaken regularly, is essential to identify, prevent, mitigate and remedy our potential impacts on human rights.

Based on the published document The Way We Do Business, no matter where we operate in the world, Suncor is committed to ensuring our business dealings are fair, honest and ethical. That means holding everyone who works with us accountable for always conducting business free of corruption. All the countries where Suncor operates have anti-corruption laws that make it illegal to offer a payment, gift or other benefit to a public official or private party to improperly obtain favourable treatment.

Suncor's Supplier Code of Conduct addresses topics such as safety, human rights, harassment, bribery and corruption and confidential information, among others. It also reinforces our commitment to sustainable development and encourages our business associates to work with us to seek ways to reduce environmental impacts, support the communities in which we work and collectively achieve economic growth. Compliance with the supplier code of conduct is a standard term of all Suncor supply chain contracts.

Suncor is a large organization with operations across different geographies and a workforce comprised of diverse demographics and ethnicities. By listening to our employees we are challenging assumptions, understanding barriers and being honest with one another as continue to create a great place to work for everyone. Our Equal Opportunity & Inclusion Policy and supporting Respectful Workplace Standard demonstrates our commitment to inclusion, equity and diversity.

Suncor is a member of the Mining Association of Canada and annually reports performance on the Towards Sustainable Mining (TSM) protocols, including Preventing Child and Forced Labour.

Appendix

## **UNGC communication on progress**



- 7 Businesses should support a precautionary approach to environmental challenges
- 8 Businesses should undertake initiatives to promote greater environmental responsibility
- 9 Businesses should encourage the development and diffusion of environmentally friendly technologies

Our purpose is to provide trusted energy that enhances people's lives, while caring for each other and the earth.

Suncor uses a risk-management and sustainability-driven approach to anticipate, prevent and mitigate harm to health, safety or the environment as stated in our Environment, Health & Safety Policy. Suncor proactively identifies and implements opportunities to:

- develop energy in a way that enhances economic prosperity, promotes social well-being and preserves a healthy environment
- conserve energy
- reduce water use
- reduce air emissions
- minimize land disturbance and accelerate reclamation
- reduce waste
- leverage a life-cycle approach
- pursue technology improvements

We are working to reduce the impact of our operations through scientific research and best management practices, while also partnering with peers to reduce the cumulative effects of development.

We share in the global challenge to address climate change by harnessing technology and innovation to set us on a pathway to a low-carbon energy system. We aim to reduce total emissions intensity of the production of our oil and petroleum products by 30% by 2030. Our focus on GHG emissions intensity reductions is in these key areas:

- implementing and improving energy efficiency
- developing and deploying new technologies
- investing in low-carbon power
- moving to low-carbon fuels

Suncor leads or participates in many technology studies and projects through Canada's Oil Sands Innovation Alliance (COSIA) an alliance of companies representing 90% of oil sands production. By focusing on five environmental priority areas – greenhouse gases, land, tailings, water, and monitoring – COSIA brings people together to face specific environmental challenges to shorten innovation timelines across the oil sands industry.

Through our **Supplier Code of Conduct**, we are clear that we expect our business associates to be aligned with our sustainable development approach and that we will work together to seek ways to reduce environmental impacts, support the communities in which we work and collectively contribute to economic growth.

10 Businesses should work against corruption in all it's forms, including extortion

Our Standards of Business Conduct Statement outlines that employees and contractors are to never offer or accept any type of improper payment, including bribes, kickbacks or facilitating payments. Also, to never make political or charitable donations on Suncor's behalf outside of our corporate donation processes. Suncor's Prevention of Improper Payments Policy states explicitly that Suncor personnel are prohibited from committing or using corporate funds, facilities or assets directly or indirectly for any illegal or improper purposes, including but not limited to bribery, kickbacks, or diversion to separate funds or companies for personal use or for the purpose of disguising such payments Through the published document The Way We Do Business, Suncor's Business Conduct Code is outlined and no matter where we operate in the world, we are committed to ensuring our business dealings are fair, honest and ethical.