

**PETRO-CANADA PALMYRA B.V. A SUBSIDIARY OF**  
**SUNCOR ENERGY INC.: 2012 UN GLOBAL COMPACT**  
**COMMUNICATION ON PROGRESS**



**Richard L. George**  
*President and  
Chief Executive Officer*

October 22, 2011

H.E. Ban Ki-Moon  
Secretary-General  
United Nations  
New York, NY 10017  
USA

Dear Mr. Secretary-General:

I am pleased to confirm Suncor Energy's continued support for the United Nations Global Compact and the implementation of its ten principles in the areas of human rights, labour, environment and anti-corruption within our sphere of influence.

Our commitment to the Global Compact is reinforced by the belief that if we conduct our business practices in the tenor of the ten principles, we can contribute to creating a more stable and inclusive global market that will help to build a more prosperous and thriving society. It is with this conviction that we continuously strive to further embed the ten principals into Suncor's corporate strategy, culture and day-to-day operations.

Since our last Communication on Progress we have pursued collaborative opportunities to further the ten principles as well as the UN Millennium Development Goals. As part of our partnering efforts we engaged in the Global Compact's pilot project on Responsible Business in order to ensure we are meeting the guiding principles in the most robust way possible. We further memorialized our commitment to the ten principles by implementing our new Human Rights policy which codifies not only our respect for human rights but also ensures that we will not be complicit in any human rights abuses in all of our activities and business relationships with others.

At Suncor Energy, we remain committed in our support for the Global Compact and will continue to be steadfast in our dedication to further implementing the tenets of the ten principles into the way we do business, now and into the future.

Yours sincerely,

A handwritten signature in black ink that reads "Rick George".

Rick George

Suncor Energy Inc.  
Suncor Energy Centre  
PO Box 2844  
150 6th Avenue SW  
Calgary, AB, Canada T2P 3E3  
Tel 403 296 6200  
Fax 403 724 3432  
[www.suncor.com](http://www.suncor.com)



Suncor Energy Inc.  
Exploration & Production  
P.O. Box 2844  
150 – 8<sup>th</sup> Ave SW  
Calgary, AB T2P 3E3  
Tel 403 296 8000  
www.suncor.com

March 22, 2012

H.E. Ban Ki-Moon  
Secretary-General  
United Nations  
New York, NY 10017  
USA

Dear Mr. Secretary General:

Please accept this letter as a follow-up to the letter issued by Mr. Rick George on October 22, 2011, in his role as president and CEO of Suncor Energy.

In that letter, Mr. George filed Suncor's Communication on Progress regarding the United Nations Global Compact, and re-affirmed our support for the implementation of its ten principles in the areas of human rights, labour, environment and anti-corruption within our company's sphere of influence.

Recognizing that we must also provide a communication on progress to the Global Compact's Syria Local Network, we have since added some additional, Syria-specific information to the corporate-wide Communication on Progress document.

Please also note that on December 11, 2011, Suncor announced that we were declaring force majeure under our contractual obligations in Syria, and suspended operations with the country's General Petroleum Corporation (GPC). These actions were taken as a result of European Union sanctions. In conjunction, the company safely withdrew expatriate staff from Syria, while retaining our Syrian employees – who we continue to support as best we can during this extremely difficult time.

As Mr. George said in his October letter, Suncor is committed to the Global Compact for its ability to guide us as we continue to strive toward integrating its principles into our strategy, culture and day-to-day operations. For example: in addition to finalizing our new human rights policy in 2011, we were able to pursue enhanced awareness of the Global Compact in various parts of the company, largely because of our Global Compact pilot project on responsible business, and the guidance we received during that project from the non-governmental organizations who partnered with us.

As we continue down this path, and await a time where it may be possible to resume business in Syria and implement some of our learnings, I know you join us in wishing the best for the Syrian people, and in hoping for a return to peace as soon as possible. Thank you very much for your time and consideration.

Yours Sincerely,

A handwritten signature in blue ink, appearing to read "Francois Langlois".

Francois Langlois  
Senior Vice President, Exploration and Production

## Human Rights

### **Principle 1: Business should support and respect the protection of internationally proclaimed human rights**

#### **Commitment**

Suncor is committed to protecting human rights within our sphere of influence. Our steadfast commitment is based on the Universal Declaration of Human Rights and is informed by the international law and standards that have developed in the ensuing six decades, including:

- The Voluntary Principles on Security and Human Rights
- ILO Declaration on Fundamental Principles and Rights at Work
- UN Declaration on the Rights of Indigenous Peoples
- The Ten Principles of the UN Global Compact and the Guidance on Responsible Business in Conflict-Affected and High-Risk Areas
- Guiding Principles on Business and Human Rights: Implementing the UN “Protect, Respect, and Remedy” Framework

Suncor’s key international presence includes assets in Norway, the United Kingdom, Syria and Libya. (Note that in February 2011, due to growing conflict in the country, we suspended our operations in Libya and evacuated our expatriate staff while beginning remote support for Libyan staff. In the fourth quarter of 2011, we began a gradual return to the country following a change in the political regime and the lifting of sanctions. In Syria, however, Suncor announced a declaration of force majeure under our contractual obligations in December 2011 and suspended operations with the country’s General Petroleum Corporation (GPC) as a result of European sanctions. The company safely withdrew expatriate staff, and has since supported its Syrian employees remotely.)

Our approach to managing our human rights commitments is to integrate specific and consistent human rights elements into our employee practices and policies, our community and stakeholder engagement practices and policies, and in the way we manage the security of our employees and our facilities.

#### **Systems**

- In July 2011, Suncor’s responsibility to respect human rights was formalized in a written company Human Rights Policy.
- Our Human Rights Policy is reviewed annually by the President and Chief Executive Officer and regular, objective reporting on our progress is detailed in our annual Sustainability Report.
- Suncor’s President and Chief Executive Officer is accountable to the Board of Directors for ensuring our Human Rights Policy is effectively implemented.
- All Suncor employees engaged in activities under Suncor’s operational control are responsible for the application of our Human Rights Policy
- We are integrating specific elements of the human rights policy into our corporate-wide Operational Excellence Management System (OEMS) which establishes overarching processes and procedures for examining all of our operational processes, procedures,

guidelines and day-to-day activities. We are also integrating Human Rights due diligence into our Issues Management and Risk Assessment processes (see below), our Stakeholder Relations guidelines and our Security policy and guidelines.

- The Director of stakeholder relations continually monitors Human Rights-related issues using Suncor's external issues management process which helps to identify where Human Rights-related risks may exist within our operations. If and when an issue escalates to a certain level on the risk matrix, Suncor then engages in a detailed risk and impact assessment and mitigation strategy.
- Suncor's Stakeholder Relations and Aboriginal relations policies commit to respecting the cultures, customs and values of the communities in which we operate.
- We have also integrated health and safety elements in our OEMS as well as our issues management process.
- Part of our risk management is to provide the appropriate supervision and training to employees and contractors who interface with communities where we operate. Our stakeholder relations policy, standard and guidelines establish our expectations in each operating area or community. Environmental and social impact assessments are also completed as part of exploration and development.
- Our Senior Vice President of Human Resources and Communications (includes stakeholder relations and community investment) and Senior Vice President of Operations Support (includes EH&S and Sustainability) are each accountable for different pieces of the many areas contained in the Global Reporting Initiative's definition of "society." The Executive Leadership teams meet regularly to ensure such risks are properly managed.

## **Activities**

- Suncor has worked diligently to incorporate safety into our work culture by insisting that our employees and contractors make safety their personal responsibility. We introduced this approach in 2002 with the launch of Journey to Zero — a company-wide program aimed at eliminating workplace injuries.
- At Suncor, we're always looking to improve on our past performance, including how to make our work sites and practices more efficient and safe. We do this by sharing best practices and lessons learned across the organization.
- Suncor has implemented medical monitoring programs which are recommended for workers who are at risk of exposure to potential health hazards. This is coupled with ongoing industrial hygiene sampling to proactively measure workplace exposures and provide exposure control solutions.
- Our integrated disability management program involves early intervention to positively alter the course of medical absence due to an illness or injury, for both occupational and non-occupational injuries and illnesses. The process is overseen by a cross-functional group of professionals, including Health and Wellness Advisors, Human Resources and Disability Advisors, and Employee and Family Assistance Program consultants. This group works together with the supervisor and employee to facilitate early, safe and productive return to work.
- Promoting wellness and a healthy lifestyle is another part of Suncor's safety commitment to our employees and contractors. We have implemented various programs that are tailored to specific business needs and environments. Initiatives, such as our annual

influenza vaccination program and ergonomics workshops, form an important part of this ongoing effort.

- Suncor employees and their families can access the Employee & Family Assistance Program at any time. This comprehensive program provides confidential, professional assistance to help employees and their families resolve problems that affect their personal lives and, in some cases, their professional lives.
- We also provide extensive training programs for Syrian employees and their leaders to build local capacity.
- Broad employee communications and training related to our stakeholder relations and human rights policies will continue throughout 2012.
- Suncor earmarked \$100 million in funds toward sustainable development projects in Libya,
- We also engage in stakeholder consultation and management around Human Rights-related issues with respect to the implementation of our Human Rights policy.
- Outside of the workplace, expatriate safety is also considered, by ensuring that our people live in safe locations and in an environment of mutual support.
- Before expatriates assume a foreign posting, they also undergo a thorough medical and are given security and cultural briefings to better understand local customs
- Our joint venture operations in Syria have committed to an ethics charter committing the joint venture to comply with, among other things, Suncor's Business Code of Conduct, Human Rights Policy and honour internationally accepted labour standards.
- In Libya, our pre-planning, relationships and ongoing assessment of the situation (including multiple contingencies for our various evacuation tasks) allowed us to safely evacuate our expatriate staff. In addition to the expat evacuation, we've made it a priority to support our Libyan national employees as much as possible. We also assisted in the subsequent evacuation of other expatriates working in the Libyan oilfields. We continue to provide support for Suncor evacuees and their families and for our Libyan national employees.
- Suncor also continues to closely monitor rising civil unrest in Syria. Contingency plans and protocols exist for the safety and security of our people, which remains, as always, our top priority.
- In Libya, \$100 million of our signature bonus had been earmarked for social development projects. One of the first areas we looked at was training. For example, we had been working to help build local capacity toward vocational training (e.g. supplying equipment for technical institutes, and had provided access to technical training in Canada/overseas. For example, we helped bring Libyan students to the Southern Alberta Institute of Technology (SAIT) in Calgary, where they took part in an intensive Production Field Operations training program, and honed their English skills.
- We also work to protect and develop the economic livelihood and professional development of the communities in which we operate, particularly with our Aboriginal communities.

## Performance

Relevant GRI Indicators and Suncor's Performance		
Indicator	Definition	Link to Performance
HR1	Percentage and total number of significant investment agreements that include human rights.	<a href="#">Performance Measures &gt; Management Approach &gt; Human Rights</a> <a href="#">Performance Measures &gt; Additional Policies and Programs &gt; Social Indicators</a>
HR 2	Percentage of significant suppliers and contractors that underwent screening on human rights and actions taken.	<a href="#">Performance Measures &gt; Management Approach &gt; Human Rights</a> <a href="#">Performance Measures &gt; Additional Policies and Programs &gt; Social Indicators</a>
HR 3	Total hours of employee training on policies and procedures concerning aspects of human rights that are relevant to operations, including the percentage of employees trained.	<a href="#">Performance Measures &gt; Additional Policies and Programs &gt; General Indicators</a>
HR 4	Total number of incidents of discrimination and actions taken.	<a href="#">Performance Measures &gt; Additional Policies and Programs &gt; Social Indicators</a>
HR 5	Operations identified where the right to exercise freedom of association and collective bargaining.	<a href="#">Performance Measures &gt; Additional Policies and Programs &gt; Social Indicators</a>
HR 6	Operations identified as having significant risk for incidents of child labour and measures to contribute to eliminate child labour.	<a href="#">Performance Measures &gt; Additional Policies and Programs &gt; Social Indicators</a>
HR 7	Operations identified as having significant risk for incidents of forced or compulsory labour and measures to contribute to the elimination of forced or compulsory labour.	<a href="#">Performance Measures &gt; Additional Policies and Programs &gt; Social Indicators</a>
HR 8	Percentage of security personnel trained in the company's policies or procedures concerning aspects of human rights relevant to operations.	<a href="#">Performance Measures &gt; Additional Policies and Programs &gt; General Indicators</a>
HR 9	Total number of incidents of violations involving rights of indigenous people and actions taken.	<a href="#">Performance Measures &gt; Additional Policies and Programs &gt; Social Indicators</a>
EC 5	Range of ratios of standard entry level wage compared to local minimum wage at significant locations of operation.	Suncor did not report on this indicator in 2010
LA 4	Percentage of employees covered by collective bargaining agreements.	<a href="#">Performance Measures &gt; Performance Indicators &gt; all sections &gt; % of workforce unionized</a>
LA 6	Percentage of total workforce represented in formal joint management-worker health and safety committees that help monitor and advise on occupational health and safety programmes.	<a href="#">Performance Measures &gt; Additional Policies and Programs &gt; Social Indicators</a>
LA 7	Rates of injury, occupational diseases, lost days, and absenteeism, and total number of work-related fatalities by region.	<a href="#">Performance Measures &gt; Performance Indicators &gt; all sections &gt; Employee/Contractor lost-time injury frequency, Employee/Contractor recordable injury frequency, Employee/contractor fatalities</a>

<b>Relevant GRI Indicators and Suncor's Performance</b>		
<b>Indicator</b>	<b>Definition</b>	<b>Link to Performance</b>
LA 8	Education, training, counseling, prevention, and risk-control programmes in place to assist workforce members, their families, or community members regarding serious diseases.	<a href="#">Social &gt; Social Responsibility &gt; Aboriginal Relations &gt; Downstream Health</a>
LA 9	Health and safety topics covered in formal agreements with trade unions.	<a href="#">Performance Measures &gt; Additional Policies and Programs &gt; Social Indicators</a>
LA 13	Composition of governance bodies and breakdown of employees per category according to gender, age group, minority group membership, and other indicators of diversity.	<a href="#">Performance Measures &gt; Performance Indicators &gt; age, gender, minority group, etc.</a> <a href="#">Performance Measures &gt; Additional Policies and Programs &gt; Social Indicators</a>
SO 5	Public policy positions and participation in public policy development and lobbying.	<a href="#">About Suncor &gt; Corporate Governance &gt; Public Policy Participation</a>
PR 1	Life cycle stages in which health and safety impacts of products and services are assessed for improvement, and percentage of significant products and service categories subject to such Procedure.	<a href="#">Performance Measures &gt; Additional Policies and Programs &gt; Social Indicators</a>
PR 2	Total number of incidents of non-compliance with regulations and voluntary codes concerning health and safety impacts of products and services during their life cycle, by type of outcomes.	<a href="#">Performance Measures &gt; Additional Policies and Programs &gt; Social Indicators</a>
PR 8	Total number of substantiated complaints regarding breaches of customer privacy and losses of customer data.	<a href="#">Performance Measures &gt; Additional Policies and Programs &gt; Social Indicators</a>



## **Principle 2: Business should make that they are not complicit in human rights abuses**

### **Commitment**

Suncor has a corporate responsibility to respect human rights and to ensure that 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. Our responsibility to respect human rights applies to all of our activities and to our business relationships with others.

### **Systems**

- Suncor's human rights policy dictates the performance of human rights impact assessments which are undertaken regularly to identify, prevent, mitigate and remedy our potential impacts on human rights. The scope of these assessments includes our own operations and where we can influence our third party business relationships
- Where we require security services to protect our employees and contractors, our intention is to have systems in place to help safeguard human rights with a new Security Policy, Framework and Guidelines in 2012. Training in the Voluntary Principles will be part of that system.
- In early 2012, Suncor plans to engage in conflict sensitive business practice training for its employees working in operations located in conflict affected or high risk areas.
- We are developing a pre-qualification process for our top tier suppliers and contractors which will include a Human Rights element.
- Suncor's Harassment and Violence Free Working Environment commits to providing an environment that is free from harassment, violence, intimidation and other disruption behaviours
- 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.
- Suncor's Stakeholder Relations and Aboriginal relations policies commit to respecting the cultures, customs and values of the communities in which we operate. We believe that people affected by our business have a right to be informed about our activities, participate in a transparent engagement process and be involved in the issues and opportunities affecting them.
- Suncor's approach to resolving Human Rights disputes and grievances is based on engagement and dialogue with the stakeholders and communities that are affected by us or affect what we do.
- Suncor maintains an "Integrity Hotline" which is managed by a third party and is available 24/7, 365 days a year to employees

### **Activities**

- We continue to use independent country risk assessments to evaluate our risks (including Human Rights-related risks) and develop strategies. Employees, both in-country and visitors, can get immediate access to up-to-date information on all aspects of a region, including political and security-related news and advisories, as well as information on cultural sensitivities.

- We have also engaged the Canadian Business for Social Responsibility in our analysis to further evaluate potential risk areas.
- Suncor has also partnered with and began work on a [pilot project with the United Nations Global Compact](#) in early 2011. This pilot will assist us in implementing the *Guidance on Responsible Business in Conflict-Affected and High-Risk Areas: A Resource for Companies and Investors*. Our participation in the pilot has looked at our Syria operations, and more specifically at our stakeholder relations and community investment practices there. We hope to use the project to help strengthen relevant company policies and management procedures, and help us define where we need to improve in all of the areas defined by the Guidance.
- Recognizing there are urgent, unique and significant issues to address as a result of the recent unrest in North Africa and the Middle East, we have also contracted a respected Canadian human rights organization to help us identify a range of options for managing these issues.
- Through 2011 and 2012 Suncor is conducting a supply chain risk assessment to determine risks within the supply chain and a comprehensive plan to embed more sustainable practices within the supply chain and key risk areas, including human rights, will be assessed and addressed where necessary.

## Performance

Relevant GRI Indicators and Suncor's Performance		
Indicator	Definition	Link to Performance
HR1	Percentage and total number of significant investment agreements that include human rights.	<a href="#">Performance Measures &gt; Management Approach &gt; Human Rights</a> <a href="#">Performance Measures &gt; Additional Policies and Programs &gt; Social Indicators</a>
HR 2	Percentage of significant suppliers and contractors that underwent screening on human rights and actions taken.	<a href="#">Performance Measures &gt; Management Approach &gt; Human Rights</a> <a href="#">Performance Measures &gt; Additional Policies and Programs &gt; Social Indicators</a>
HR 3	Total hours of employee training on policies and procedures concerning aspects of human rights that are relevant to operations, including the percentage of employees trained.	<a href="#">Performance Measures &gt; Additional Policies and Programs &gt; General Indicators</a>
HR 4	Total number of incidents of discrimination and actions taken.	<a href="#">Performance Measures &gt; Additional Policies and Programs &gt; Social Indicators</a>
HR 5	Operations identified where the right to exercise freedom of association and collective bargaining.	<a href="#">Performance Measures &gt; Additional Policies and Programs &gt; Social Indicators</a>
HR 6	Operations identified as having significant risk for incidents of child labour and measures to contribute to eliminate child labour.	<a href="#">Performance Measures &gt; Additional Policies and Programs &gt; Social Indicators</a>

Relevant GRI Indicators and Suncor's Performance		
Indicator	Definition	Link to Performance
HR 7	Operations identified as having significant risk for incidents of forced or compulsory labour and measures to contribute to the elimination of forced or compulsory labour.	<a href="#">Performance Measures &gt; Additional Policies and Programs &gt; Social Indicators</a>
HR 8	Percentage of security personnel trained in the company's policies or procedures concerning aspects of human rights relevant to operations.	<a href="#">Performance Measures &gt; Additional Policies and Programs &gt; General Indicators</a>
HR 9	Total number of incidents of violations involving rights of indigenous people and actions taken.	<a href="#">Performance Measures &gt; Additional Policies and Programs &gt; Social Indicators</a>
SO 5	Public policy positions and participation in public policy development and lobbying.	<a href="#">About Suncor &gt; Corporate Governance &gt; Public Policy Participation</a>

## Labour

### **Principle 3: Business should uphold the freedom of association and the effective recognition of the right to collective bargaining**

#### **Commitment**

Suncor adheres to all applicable labour laws in the jurisdictions where we operate. These laws prohibit terminating the employment of any individual as a result of choosing to enter into collective bargaining. Local labour boards monitor Suncor's adherence to these laws. Further, Suncor's Human Rights policy endorses the International Labour Organization's Declaration on Fundamental Principles and Rights at Work. Additionally, our Human Rights policy explicitly states that Suncor's employment policies must strictly adhere to all applicable domestic laws and honour internationally accepted labour standards including those concerning freedom of association and collective bargaining.

#### **Systems and Activities**

- Suncor has active trade union agreements which are reviewed regularly and many of the contractors are also represented by collective agreements. Information on percentage of employees covered by collective bargaining agreements can be found in the social performance indicators in the GRI indicator table below.
- Suncor regularly reviews active trade unions.
- Suncor is rolling out a supplier prequalification program that all suppliers, service providers, and contractors including subcontractors must pre-qualify to perform work or to provide services or materials to Suncor. The information provided helps assess company's environmental, health and safety performance, quality systems, financial strength and technical capability. In 2012 the pre-qualification survey will also include questions and screening on human rights abuses, corruption and bribery.

**Performance**

Relevant GRI Indicators and Suncor's Performance		
Indicator	Definition	Link to Performance
HR1	Percentage and total number of significant investment agreements that include human rights.	<a href="#">Performance Measures &gt; Management Approach &gt; Human Rights</a> <a href="#">Performance Measures &gt; Additional Policies and Programs &gt; Social Indicators</a>
HR 2	Percentage of significant suppliers and contractors that underwent screening on human rights and actions taken.	<a href="#">Performance Measures &gt; Management Approach &gt; Human Rights</a> <a href="#">Performance Measures &gt; Additional Policies and Programs &gt; Social Indicators</a>
HR 3	Total hours of employee training on policies and procedures concerning aspects of human rights that are relevant to operations, including the percentage of employees trained.	<a href="#">Performance Measures &gt; Additional Policies and Programs &gt; General Indicators</a>
HR 4	Total number of incidents of discrimination and actions taken.	<a href="#">Performance Measures &gt; Additional Policies and Programs &gt; Social Indicators</a>
HR 5	Operations identified where the right to exercise freedom of association and collective bargaining.	<a href="#">Performance Measures &gt; Additional Policies and Programs &gt; Social Indicators</a>
SO 5	Public policy positions and participation in public policy development and lobbying.	<a href="#">About Suncor &gt; Corporate Governance &gt; Public Policy Participation</a>

**Principle 4: Business should uphold the elimination of all forms of forced and compulsory labour**

**Commitment**

Suncor's Human Rights policy endorses the International Labour Organization's Declaration on Fundamental Principles and Rights at work. Our Human Rights policy also explicitly states that Suncor's employment policies must adhere to all applicable domestic laws and honour internationally accepted labour standards including the abolition of forced labour.

**Systems and Activities**

- All employees receive a contract at the beginning of their employment stating the terms and conditions of service
- All employees also receive job descriptions for their specific roles within the organization
- Employees who are terminated without cause generally receive a severance package that take employee age and years of service into account. These employees typically receive the services of a career transition advisor to assist them in identifying alternate career opportunities, financial planning and a variety of other services to enhance their prospects for future employment.
- Suncor regularly reviews and benchmarks its salaries and benefits ensuring that they meet and/or exceed industry norms.

- Suncor is committed to continuous improvement in attracting and retaining top industry talent. This is accomplished by exceeding regulations in most; if not all areas where we operate. For example, in Canada, our salary and benefits significantly exceed regulations and we have been named a top employer in Canada for our workplace programs and benefits.
- Our joint venture operations in Syria have committed to an ethics charter committing them to comply with, among other things, Suncor’s Business Code of Conduct, Human Rights Policy and honour Internationally accepted labour standards including the prohibition against forced and compulsory labour
- Suncor offers an integrity hotline available 24 hours a day, seven days a week, 365 days a year for employees to call to report any sensitive grievance and/or suspected violations that they do not feel comfortable airing to their supervisors. This hotline is managed by an independent third party provider.

## Performance

Relevant GRI Indicators and Suncor’s Performance		
Indicator	Definition	Link to Performance
HR1	Percentage and total number of significant investment agreements that include human rights.	<a href="#">Performance Measures &gt; Management Approach &gt; Human Rights</a> <a href="#">Performance Measures &gt; Additional Policies and Programs &gt; Social Indicators</a>
HR 2	Percentage of significant suppliers and contractors that underwent screening on human rights and actions taken.	<a href="#">Performance Measures &gt; Management Approach &gt; Human Rights</a> <a href="#">Performance Measures &gt; Additional Policies and Programs &gt; Social Indicators</a>
HR 3	Total hours of employee training on policies and procedures concerning aspects of human rights that are relevant to operations, including the percentage of employees trained.	<a href="#">Performance Measures &gt; Additional Policies and Programs &gt; General Indicators</a>
HR 7	Operations identified as having significant risk for incidents of forced or compulsory labour and measures to contribute to the elimination of forced or compulsory labour.	<a href="#">Performance Measures &gt; Additional Policies and Programs &gt; Social Indicators</a>
SO 5	Public policy positions and participation in public policy development and lobbying.	<a href="#">About Suncor &gt; Corporate Governance &gt; Public Policy Participation</a>

## Principle 5: Business should uphold the effective abolition of child labour

### Commitment

Suncor’s Human Rights policy endorses the International Labour Organization’s Declaration on Fundamental Principles and Rights at work. Our Human Rights policy also explicitly states that Suncor’s employment policies must adhere to all applicable domestic laws and honour internationally accepted labour standards including not employing underage workers in the workplace.

**Systems and Activities**

- Suncor adheres to all minimum age restrictions espoused by local laws and regulations.
- Our Human Resources team requires various forms of personal and government identification which allows for age verification in recruitment procedures.
- Suncor regularly reviews and benchmarks its salaries and benefits ensuring that they meet and/or exceed industry norms, thereby ensuring that adult workers are given secure employment and decent wages
- Our joint venture operations in Syria have committed to an ethics charter committing them to comply with, among other things, Suncor’s Business Code of Conduct, Human Rights Policy and honour internationally accepted labour standards including the prohibition against the use of child labour.
- Suncor offers an integrity hotline available 24 hours a day, seven days a week, 365 days a year for employees to call to report any sensitive grievance and/or suspected violations that they do not feel comfortable airing to their supervisors. This hotline is managed by an independent third party provider.

**Performance**

Relevant GRI Indicators and Suncor’s Performance		
Indicator	Definition	Link to Performance
HR1	Percentage and total number of significant investment agreements that include human rights.	<a href="#">Performance Measures &gt; Management Approach &gt; Human Rights</a> <a href="#">Performance Measures &gt; Additional Policies and Programs &gt; Social Indicators</a>
HR 2	Percentage of significant suppliers and contractors that underwent screening on human rights and actions taken.	<a href="#">Performance Measures &gt; Management Approach &gt; Human Rights</a> <a href="#">Performance Measures &gt; Additional Policies and Programs &gt; Social Indicators</a>
HR 3	Total hours of employee training on policies and procedures concerning aspects of human rights that are relevant to operations, including the percentage of employees trained.	<a href="#">Performance Measures &gt; Additional Policies and Programs &gt; General Indicators</a>
HR6	Operations identified as having significant risk for incidents of child labour and measures taken to contribute to the elimination of child labour.	<a href="#">Performance Measures &gt; Additional Policies and Programs &gt; Social Indicators</a>
SO 5	Public policy positions and participation in public policy development and lobbying.	<a href="#">About Suncor &gt; Corporate Governance &gt; Public Policy Participation</a>

## **Principle 6: Business should uphold the elimination of discrimination in respect of employment and occupation**

### **Commitment**

Suncor's Human Rights policy endorses the International Labour Organization's Declaration on Fundamental Principles and Rights at work. Our Human Rights policy also explicitly states that Suncor's employment policies must adhere to all applicable domestic laws and honour internationally accepted labour standards including the prohibition of discrimination in the workplace.

### **Systems and Activities**

- Suncor has a 'Harassment & Violence Free Working Environment Policy' that details our commitment to providing a work environment that is free from harassment, violence, threats of violence, intimidation and other disruptive behaviours from fellow employees, other Suncor Personnel, and people with whom Suncor does business with.
- The Harassment & Violence Free Working Environment Policy also outlines a grievance procedure in the event an incident needs to be reported.
- The Senior Vice President of Human Resource and Communications is responsible for those discrimination issues outlined in the policy.
- Supervisors, Human Resource Advisors and Union representatives are available and capable to assist or provide referrals in the case of complaint resolution
- Suncor employees and their families can access the Employee & Family Assistance Program at any time. This comprehensive program provides confidential and professional assistance to help employees and their families resolve problems that affect their personal lives and professional lives.
- Our joint venture operations in Syria have committed to an ethics charter committing the joint venture to comply with, among other things, Suncor's Business Code of Conduct, Human Rights Policy and honour internationally accepted labour standards including the prohibition of discrimination in the workforce.
- Suncor offers an integrity hotline available 24 hours a day, seven days a week, 365 days a year for employees to call to report any sensitive grievance and/or suspected violations that they do not feel comfortable airing to their supervisors. This hotline is managed by an independent third party provider.
- Suncor's 'Internal Job posting and Transfer' policy provides guidance around employee eligibility to apply for an internal position and how to transfer employees in a fair, timely and orderly manner into positions that best meet the needs of Suncor and employees.
- The Senior Vice-President, Human Resources & Communication is responsible for the 'Internal Job posting and Transfer' policy.

## Performance

Relevant GRI Indicators and Suncor's Performance		
Indicator	Definition	Link to Performance
HR1	Percentage and total number of significant investment agreements that include human rights.	<a href="#">Performance Measures &gt; Management Approach &gt; Human Rights</a> <a href="#">Performance Measures &gt; Additional Policies and Programs &gt; Social Indicators</a>
HR 2	Percentage of significant suppliers and contractors that underwent screening on human rights and actions taken.	<a href="#">Performance Measures &gt; Management Approach &gt; Human Rights</a> <a href="#">Performance Measures &gt; Additional Policies and Programs &gt; Social Indicators</a>
HR 3	Total hours of employee training on policies and procedures concerning aspects of human rights that are relevant to operations, including the percentage of employees trained.	<a href="#">Performance Measures &gt; Additional Policies and Programs &gt; General Indicators</a>
HR 4	Total number of incidents of discrimination and actions taken.	<a href="#">Performance Measures &gt; Additional Policies and Programs &gt; Social Indicators</a>
LA 2	Total number and rate of employee turnover broken down by age group, gender, and region.	<a href="#">Performance Measures &gt; Performance Indicators &gt; all sections &gt; Employee turnover</a>
LA13	Composition of governance bodies and breakdown of employees per category according to gender, age group, minority group membership, and other indicators of diversity.	<a href="#">Performance Measures &gt; Performance Indicators &gt; age, gender, minority group, etc.</a> <a href="#">Performance Measures &gt; Additional Policies and Programs &gt; Social Indicators</a>
LA 14	Ratio of basic salary of men to women by employee category.	<a href="#">Performance Measures &gt; Performance Indicators &gt; Suncor-Wide &gt; workforce section</a>
EC 7	Procedures for local hiring and proportion of senior management hired from the local community at significant locations of operation.	<a href="#">Performance Measures &gt; Additional Policies and Programs &gt; Economic Indicators &gt; local spending and hiring of senior management</a>
SO 5	Public policy positions and participation in public policy development and lobbying.	<a href="#">About Suncor &gt; Corporate Governance &gt; Public Policy Participation</a>



## Environment

### **Principle 7: Business should support a precautionary approach to environmental challenges**

#### **Commitment**

Suncor supports the precautionary principle which will be formally captured in the finalization of our Sustainability Framework Statement stating our commitment to focusing on responsible growth and creating sustainable energy solutions while preserving a healthy environment, promoting social well-being and fostering economic prosperity. We will act as an owner and not a renter. We will minimize our environmental footprint by designing and operating our facilities to use resources efficiently and by developing long-term solutions to global issues, including climate change biodiversity.

#### **Systems**

- Suncor uses life cycle thinking, including a formal Life Cycle Value Assessment (LCVA) tool, to help evaluate the impact of a project's design, construction and operation. LCVA covers everything from the manufacture of materials by third-party vendors to waste disposal and reclamation.
- The analysis and information Suncor gathers with this tool helps us make smart, responsible business decisions. This results in more sustainable project designs and operations that take into account long-term triple bottom line benefits and impacts, not just short-term paybacks.
- We also participate in programs designed at understanding the cumulative effects of our operations.
- In addition to our own LCVA, environmental and social impact assessments are completed where regulated.
- We use an Environmental Information Management System (EIMS) to closely manage the impacts of air and water through the gathering, managing and reporting of environmental data related to its operational facilities.
- In 1997, Suncor recognized early on that climate change would be an important issue for our company and therefore created the 7-point climate change action plan which is updated annually. The plan addresses the following: managing our own emissions, develop renewable sources of energy, invest in environmental and economic research, use domestic and international offsets, collaborate on policy development, educate employees and the public and measure and report our progress.

#### **Activities**

- The Environment, Health and Safety and Sustainable Development Committee reviews the effectiveness with which Suncor meets its obligations pertaining to environment, health and safety, including the establishment of appropriate policies with regard to legal, industry and community standards and related management systems to implement policies and monitor compliance.
- Suncor ensures that our dialogue with our stakeholders, pursuant to our Stakeholder Relations policy, provides feedback on our design and operations.
- Stakeholders are encouraged to define how they want to be consulted and we strive to remain flexible and responsive to their preferences. We are willing to be influenced by

stakeholders, even if it means making changes to how we operate our business, and we will keep stakeholders informed of our response to their concerns.

- The use of our EIMS system has resulted in the reduction of our CO2 emissions and energy use at the refineries where it was implemented.
- The Sustainability Strategy Committee which consists of the Chief Executive Officer, the Chief Operating Officer, the Senior Vice President of Human Resources and the Senior Vice President of Operations Support evaluate and establish the long term strategic solutions to addressing sustainability and environmental issues.
- Suncor is a founding member of the Oil Sands Leadership Initiative (OSLI) an industry-wide collaborative initiative committed to achieving tangible improvement in environmental, social and economic performance through collaboration and technological innovation.
- Suncor is also working with the CO2 Capture Project, a research network comprised of some of the world's leading energy companies and various government organizations on new technologies that could simplify and improve CO2 capture at in-situ extraction sites, while reducing overall costs and energy use.
- Suncor is one of 19 active members of the Integrated CO2 Network which works with governments to promote the development of CCS technologies for use at both oil production sites and fossil fuel power plants.
- In 2009, Suncor was also one of the founding members of Carbon Management Canada, a national network of university researchers to investigate cost-effective, carbon-efficient techniques for extracting and processing fossil fuels.

## Performance

Relevant GRI Indicators		
Indicator	Definition	Link
<b>EC 2</b>	Financial implications and other risks and opportunities for the organization's activities due to climate change.	<a href="#">What Guides Us &gt; CEO's Message Environment &gt; Climate Change &gt; Climate Change Solutions</a>
<b>EN26</b>	Initiatives to reduce greenhouse gas emissions and reductions achieved.	<a href="#">Performance Measures &gt; Performance Indicators &gt; Refining and Marketing &gt; ethanol blended in gasoline</a> <a href="#">Performance measures &gt; Additional Policies and Programs &gt; Environmental Indicators</a>
<b>EN30</b>	Total environmental protection expenditures and investments by type.	<a href="#">Performance Measures &gt; Performance Indicators &gt; all sections &gt; EHS professionals on staff</a>
<b>SO 5</b>	Public policy positions and participation in public policy development and lobbying.	<a href="#">About Suncor &gt; Corporate Governance &gt; Public Policy Participation</a>
<b>EN 18</b>	Initiatives to reduce greenhouse gas emissions and reductions achieved.	<a href="#">Environment &gt; Climate Change</a>

## Principle 8: Business should undertake initiatives to promote greater environmental responsibility

### Commitment

Suncor is committed to a set of goals and values that guide our business decisions. Central to this is the principle of a triple-bottom-line. This means managing our operations and growth plans in a way that enhances social and economic benefits, while striving to minimize the environmental impact associated with development. We aspire to minimize our environmental footprint by designing and operating our facilities to use resources efficiently and by developing long-term solutions to global issues. Our environment, health and safety efforts are complementary and interdependent with our economic and social performance. We are accountable to our stakeholders to develop resources, conduct our operations and offer our products and services in a responsible manner.

### Systems

- We are in the process of formalizing our Sustainability Framework which details our commitment to the triple-bottom line: preserving a healthy environment, promoting social well-being and fostering economic prosperity with industry leading performance in each of these aspects of sustainability
- Our Sustainability Framework also shows our commitment to the positive role we aspire to play in the way our products are used by working with those involved throughout the life-cycles of our products to promote their responsible use and management.
- Our corporate-wide Operational Excellence Management System organizes and links all standards, systems and processes required to manage operational risks, mitigate environmental impacts and deliver safe and reliable operations.
- Environmental impacts and risks are tracked in our Issues Management and Risk Assessment processes.
- We have an Environmental, Health and Safety policy which details our commitment to environmental responsibility
- As part of Suncor's ongoing commitment to environmental stewardship, the company committed to four environmental performance goals which includes the following:
  1. Reduce fresh water consumption by 12 % by 2015 (the amount of fresh water withdrawn minus the amount of water returned to the environment)
  2. Increase reclamation of Oil Sands disturbed area by 100% by 2015. Between 1967 and 2007, 1007 hectares of land were reclaimed at Suncor's oil sands site. To achieve the proposed 100% increase in land reclamation by 2015, Suncor will significantly increase its yearly reclamation performance—a major undertaking.
  3. Improve energy efficiency by 10% by 2015. Suncor believes the proposed 10% reduction can be achieved through better operating practices and improved reliability, which is part of our operational excellence strategy, as well as some of our capital project investments.
  4. Reduce air emissions by 10% by 2015. Suncor believes that this 10% reduction can be achieved through better operating practices, improved reliability and implementation of emission-reducing technologies.
- Updates on the progress of our environmental goals can be found in our Sustainability reports. Our most recent Sustainability Report can be found at <http://sustainability.suncor.com/2011/default.aspx>

## Activities

- Suncor's lubricants business in addition to its Montreal and Edmonton refineries are all ISO 14001 certified.
- We have also implemented a corporate-wide Energy Management System (EMS). This has resulted in a significant decrease in energy use and GHG emissions at our Commerce City and Montreal refineries through operational improvements and capital investments. Suncor will implement their EMS at its Edmonton and Sarnia refineries through the summer of 2011 and will complete the rest of its major facilities by the end of 2013
- In concert with the four environmental performance goals publicly released in 2009, Suncor continues to implement an Environmental Excellence Plan (EEP). EEP is a business planning process that aligns environmental initiatives to the corporate goals with the aim of accelerating the company's environmental performance over time.
- As members of the Alberta based Wood Buffalo Environmental Association (WBEA), Suncor supports a regional, multi-stakeholder approach to managing air quality.
- Suncor also supports the Parkland Airshed Management Zone (PAMZ), Palliser Airshed Society (PAS) and the West Central Airshed Society (WCAS). These community-based organizations monitor and report air quality around the clock.
- Suncor is also a founding member of the Alberta Clean Air Strategic Alliance (CASA), an Alberta-based, multi-stakeholder policy forum that makes recommendations for managing air quality issues. CASA is comprised of representatives from industry, government and non-profit organizations
- We also participate in the Regional Aquatics Monitoring Program which monitors aquatic environments in the Athabasca oil sands region to detect and assess cumulative effects and regional trends.
- Suncor is also active in The Wood Buffalo Environmental Association (WBEA) — WBEA is a collaboration of communities, environmental groups, industry, governments and Aboriginal stakeholders. The WBEA monitors air quality in the Regional Municipality of Wood Buffalo, 24 hours a day, 365 days a year, and openly shares the information collected with stakeholders and the public.
- We are also a part of the Cumulative Environmental Management Association (CEMA) — CEMA is governed by 44 members, representing all levels of government, industry, regulatory bodies, environmental organizations and Aboriginal groups. CEMA's mandate is to study the cumulative environmental effects of industrial development in the Wood Buffalo region and produce guidelines and management frameworks.
- Suncor sits on the Boreal Leadership Council (BLC) — BLC is comprised of leading conservation groups, Aboriginal groups, resource companies and financial institutions. BLC members are all signatories to the Boreal Forest Conservation Framework, which commits them to the establishment of a network of large interconnected protected areas covering about half of Canada's Boreal Forest—and the use of leading-edge sustainable development practices in remaining areas.
- Suncor began commercial implementation of its [new TRO™ process](#) in 2010. We expect our TRO™ method to help us rapidly reduce our existing inventory of oil sands tailings and the need for future oil sands tailings storage ponds. The technology has already enabled Suncor to cancel plans for five additional tailings ponds at its existing mine operations. In the years ahead, Suncor also expects to reduce the number of tailings ponds at its

present mine from the current eight to just one — shrinking the total land area covered by the ponds by approximately 80%.

- In September 2010, Suncor became the first oil sands company to have a tailings pond with a trafficable surface (meaning it's able to support the weight of vehicles). Progressive reclamation is underway, and the plan is to ultimately transform the company's 220-hectare Pond 1, now named Wapisiw Lookout, into mixed wood forest and a small wetland capable of supporting a variety of plants and wildlife.
- Beginning in the spring of 2011, Suncor began an employee engagement initiative focusing on educating and empowering their employees to make more sustainable decisions at work and at home while also raising awareness about all of the company's own sustainability initiatives.

## Performance

Relevant GRI Indicators and Suncor's Performance		
Indicator	Definition	Link to Performance
EN 1	Materials used by weight or volume.	<a href="#">Performance Measures &gt; Additional Policies and Programs &gt; Environmental Indicators &gt; Materials used</a> <a href="#">Performance Measures &gt; Performance Indicators &gt; Suncor Wide &gt; production section</a>
EN 2	Percentage of materials used that are recycled input materials.	<a href="#">Performance Measures &gt; Additional Policies and Programs &gt; Environmental Indicators</a> <a href="#">Performance measures &gt; Performance Indicators &gt; In Situ &gt; Average Annual Water Recycling Rate</a>
EN 3	Direct energy consumption by primary energy source.	<a href="#">Performance Measures &gt; Performance Indicators &gt; Suncor Wide &gt; energy consumption section</a>
EN 4	Indirect energy consumption by primary source.	<a href="#">Performance Measures &gt; Performance Indicators &gt; all sections &gt; in-direct energy use and imported electricity</a>
EN 5	Energy saved due to conservation and efficiency improvements.	<a href="#">Performance Measures &gt; Performance Indicators &gt; Natural Gas &gt; energy saved due to conservation and efficiency improvements</a> <a href="#">Performance Measures &gt; Performance Indicators &gt; International and Offshore &gt; energy saved due to conservation and efficiency improvements</a> <a href="#">Performance Measures &gt; Performance Indicators &gt; In Situ &gt; energy saved due to conservation and efficiency improvements</a>
EN 6	Initiatives to provide energy-efficient or renewable energy-based products and services, and reductions in energy requirements as a result of these initiatives during the reporting period.	<a href="#">Environment &gt; Renewable Energy</a> <a href="#">Environment &gt; Environmentally Responsible Products</a> <a href="#">Performance Measures &gt; Performance Indicators &gt; Suncor-Wide and Refining and Marketing &gt; Installed Wind Capacity</a>
EN 7	Initiatives to reduce indirect energy consumption and reductions achieved.	Suncor did not report on this indicator in 2009

<b>Relevant GRI Indicators and Suncor's Performance</b>		
<b>Indicator</b>	<b>Definition</b>	<b>Link to Performance</b>
<b>EN 8</b>	Total water withdrawal by source.	<a href="#">Performance Measures &gt; Performance Indicators &gt; all sections &gt; water withdrawal</a>
<b>EN 9</b>	Water sources significantly affected by withdrawal of water.	<a href="#">Performance Measures &gt; Systemic Indicators &gt; Environmental</a>
<b>EN 10</b>	Percentage and total volume of water recycled and reused.	Suncor did not report on this indicator in 2009 (average annual water recycling rate collected for In Situ – found under EN2)
<b>EN 11</b>	Location and size of land owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas.	<a href="#">Performance Measures &gt; Performance Indicators &gt; Oilsands &gt; leaseholdings for potential and approved development</a> <a href="#">Performance Measures &gt; Additional Policies and Programs &gt; Environmental Indicators</a>
<b>EN 12</b>	Description of significant impacts of activities, products, and services on biodiversity in protected areas and areas of high biodiversity value outside protected areas.	<a href="#">Performance Measures &gt; Systemic Indicators &gt; Environmental Environment &gt; Land and Biodiversity</a> <a href="#">Performance Measures &gt; Performance Indicators &gt; Oil Sands &gt; disturbed land</a> <a href="#">Performance Measures &gt; Performance Indicators &gt; In Situ &gt; disturbed land</a>
<b>EN 13</b>	Habitats protected or restored.	<a href="#">Performance Measures &gt; Performance Indicators &gt; Oil Sands &gt; reclaimed land, and Natural Gas &gt; number of wells undergoing reclamation</a> <a href="#">Performance Measures &gt; Performance Indicators &gt; In Situ &gt; reclaimed land, and Natural Gas &gt; number of wells undergoing reclamation</a> <a href="#">Environment &gt; Land and Biodiversity &gt; Reclamation</a>
<b>EN 14</b>	Strategies, current actions, and future plans for managing impacts on biodiversity.	<a href="#">Environment &gt; Land and Biodiversity</a>
<b>EN 15</b>	Number of IUCN Red List species and national conservation list species with habitats in areas affected by operations, by level of extinction risk.	Suncor does not report on this indicator
<b>EN 16</b>	Total direct and indirect greenhouse gas emissions by weight.	<a href="#">Performance Measures &gt; Performance Indicators &gt; all sections GHG emissions</a> <a href="#">Environment &gt; Climate Change &gt; 2009 GHG Performance &gt; all sections</a>
<b>EN 17</b>	Other relevant indirect greenhouse gas emissions by weight.	<a href="#">Performance Measures &gt; Additional Policies and Programs &gt; Environmental Indicators</a>
<b>EN 18</b>	Initiatives to reduce greenhouse gas emissions and reductions achieved.	<a href="#">Environment &gt; Climate Change</a>
<b>EN 19</b>	Emissions of ozone-depleting substances by weight.	<a href="#">Performance Measures &gt; Performance Indicators &gt; oil sands ozone depleting substances</a>
<b>EN 20</b>	NO <sub>x</sub> , SO <sub>x</sub> , and other significant air emissions by type and weight.	<a href="#">Performance Measures &gt; Performance Indicators &gt; all sections &gt; all NO<sub>x</sub>, SO<sub>x</sub>, VOCs, other standard air emissions</a>

<b>Relevant GRI Indicators and Suncor's Performance</b>		
<b>Indicator</b>	<b>Definition</b>	<b>Link to Performance</b>
<b>EN 21</b>	Total water discharge by quality and destination.	<a href="#">Performance Measures &gt; Performance Indicators &gt; all sections &gt; water discharged quality</a>
<b>EN 22</b>	Total weight of waste by type and disposal method.	<a href="#">Performance Measures &gt; Performance Indicators &gt; all sections &gt; waste management</a>
<b>EN 23</b>	Total number and volume of significant spills.	<a href="#">Performance Measures &gt; Performance Indicators &gt; all sections &gt; Reportable spills, Spills to natural water bodies and volume of spills</a>
<b>EN 24</b>	Weight of transported, imported, exported, or treated waste deemed hazardous under the terms of the Basel Convention Annex I, II, III, and VIII, and percentage of transported waste shipped internationally.	Suncor does not report on this indicator
<b>EN 25</b>	Identity, size, protected status, and biodiversity value of water bodies and related habitats significantly affected by the reporting organization's discharges of water and runoff.	<a href="#">Environment &gt; Water</a> <a href="#">Environment &gt; Land Biodiversity</a> <a href="#">Environment &gt; Tailings</a>
<b>EN 26</b>	Initiatives to mitigate environmental impacts of products and services, and extent of impact mitigation.	<a href="#">Performance Measures &gt; Performance Indicators &gt; Refining and Marketing &gt; ethanol blended in gasoline</a> <a href="#">Performance measures &gt; Additional Policies and Programs &gt; Environmental Indicators</a>
<b>EN 27</b>	Percentage of products sold and their packaging materials that are reclaimed by category.	<a href="#">Performance Measures &gt; Additional Policies and Programs &gt; Environmental Indicators</a>
<b>EN 28</b>	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with environmental laws and regulations.	<a href="#">Performance Measures &gt; Performance Indicators &gt; all sections &gt; regulatory fines, number of air quality exceedances, regulatory contraventions, number of water effluent exceedances, Spills to Natural Water Bodies, Total volume of spills</a>
<b>EN 29</b>	Significant environmental impacts of transporting products and other goods and materials used from the organization's operations, and transporting members of the workforce.	Suncor does not report on this indicator
<b>EN 30</b>	Total environmental protection expenditures and investments by type.	<a href="#">Performance Measures &gt; Performance Indicators &gt; all sections &gt; EHS professionals on staff</a>
<b>SO 5</b>	Public policy positions and participation in public policy development and lobbying.	<a href="#">About Suncor &gt; Corporate Governance &gt; Public Policy Participation</a>
<b>PR 3</b>	Type of product and service information required by procedures and percentage of significant products and services subject to such information requirements.	<a href="#">Performance Measures &gt; Additional Policies and Programs &gt; Social Indicators</a>
<b>PR 4</b>	Total number of incidents of non-compliance with regulations and voluntary codes concerning product and service information and labeling, by type of outcomes.	<a href="#">Performance Measures &gt; Additional Policies and Programs &gt; Social Indicators</a>

## Principle 9: Business should encourage the development and diffusion of environmentally friendly technologies

### Commitment

Suncor is investing in new environmental technologies in our existing and planned operations. We've also pursued a parallel path of renewable energy development, investing in wind power and ethanol facilities. Developing renewable energy is a critical part of Suncor's longstanding climate change action plan and corporate strategy going forward as we move towards a sustainable energy future.

### Systems

- Suncor's life cycle value assessment policy ensures that we assess impacts of our operations and products at every state of development including research and development, exploration, extraction, transportation, manufacturing and production, marketing, storage and supply and subsequent use.
- Suncor expects existing and planned investments in renewable energy to total approximately \$750 million by 2012.
- Suncor is a Canadian pioneer in wind energy with five power developments in operation and other projects in the planning stages. These five wind energy facilities have a generating capacity of 147 megawatts, enough to power about 60,000 Canadian homes.
- We also operate Canada's largest ethanol production plant, near Sarnia, Ontario. In 2010, Suncor completed a \$120 million expansion of the [St. Clair ethanol facility](#), doubling its capacity to 400 million liters per year. The plant achieved a production milestone of one billion liters of ethanol in May 2011

### Activities

- Suncor believes it's appropriate to look at the full life cycle of ethanol production when discussing environmental benefits. In the case of Suncor's ethanol plant, we asked the Pembina Institute to conduct two Life Cycle Assessments (LCA), which looked at all of the energy inputs from the corn field to the gas pump. [Visit the Pembina Institute website to learn more.](#)
- Suncor believes the St. Clair plant's ethanol production is best-in-class. This is based on the feedstock, technology and energy used to manufacture ethanol, and the fact that we produce an environmentally friendly by-product (i.e., material left over in the production process is used as animal feedstock).
- Suncor's long term goal is to develop a new power initiative every 12 to 18 months and we will continue to evaluate new opportunities to build our wind energy portfolio.
- Suncor produces numerous products that mitigate environmental impacts that could result from the use of traditional products. We are proud of our leading edge research and development and the resulting products.
- The EcoSia line of environmentally responsible lubricant products deliver performance benefits, while helping to reduce impacts on the environment.
- Based on recognized industry tests the EcoSia line is inherently or readily biodegradable (based on component or product data obtained using the Organization for Economic Co-operation and Development (OECD) 301B testing guideline, or OECD 306 testing



guideline (Biodegradability in Seawater) not environmentally toxic (based on United Nations Globally Harmonized System of Classification and Labeling of Chemicals)

- In the case of our Edmonton refinery, approximately 50% of the total water withdrawn in 2010 was recycled wastewater supplied from the municipal Gold Bar Wastewater Treatment Plant, significantly reducing the amount of freshwater withdrawn from the North Saskatchewan River.
- Because tailings management is such a pressing industry-wide challenge, Suncor and six other oil sands companies announced plans in December 2010 to work together in a unified effort to advance tailings management. Each company has pledged to share its existing tailings research and technology and to remove barriers to collaborating on future tailings research and development.
- Suncor intends to share details specific to its TRO™ process. The companies are committing to future research investments to further accelerate tailings technology advances.

## Performance

Relevant GRI Indicators		
Indicator	Definition	Link
<b>EN 2</b>	Percentage of materials used that are recycled input materials.	<a href="#">Performance Measures &gt; Additional Policies and Programs &gt; Environmental Indicators</a> <a href="#">Performance measures &gt; Performance Indicators &gt; In Situ &gt; Average Annual Water Recycling Rate</a>
<b>EN 5</b>	Energy saved due to conservation and efficiency improvements.	<a href="#">Performance Measures &gt; Performance Indicators &gt; Natural Gas &gt; energy saved due to conservation and efficiency improvements</a> <a href="#">Performance Measures &gt; Performance Indicators &gt; International and Offshore &gt; energy saved due to conservation and efficiency improvements</a> <a href="#">Performance Measures &gt; Performance Indicators &gt; In Situ &gt; energy saved due to conservation and efficiency improvements</a>
<b>EN 6</b>	Initiatives to provide energy-efficient or renewable energy-based products and services, and reductions in energy requirements as a result of these initiatives during the reporting period.	<a href="#">Environment &gt; Renewable Energy</a> <a href="#">Environment &gt; Environmentally Responsible Products</a> <a href="#">Performance Measures &gt; Performance Indicators &gt; Suncor-Wide and Refining and Marketing &gt; Installed Wind Capacity</a>
<b>EN 7</b>	Initiatives to reduce indirect energy consumption and reductions achieved.	Suncor did not report on this indicator in 2009
<b>EN 10</b>	Percentage and total volume of water recycled and reused.	Suncor did not report on this indicator in 2009 (average annual water recycling rate collected for In Situ – found under EN2)
<b>EN 18</b>	Initiatives to reduce greenhouse gas emissions and reductions achieved.	<a href="#">Environment &gt; Climate Change</a>

Relevant GRI Indicators		
Indicator	Definition	Link
EN 26	Initiatives to mitigate environmental impacts of products and services, and extent of impact mitigation.	<a href="#">Performance Measures &gt; Performance Indicators &gt; Refining and Marketing &gt; ethanol blended in gasoline</a> <a href="#">Performance measures &gt; Additional Policies and Programs &gt; Environmental Indicators</a>
EN27	Percentage of products sold and their packaging materials that are reclaimed by category.	<a href="#">Performance Measures &gt; Additional Policies and Programs &gt; Environmental Indicators</a>
EN 30	Total environmental protection expenditures and investments by type.	<a href="#">Performance Measures &gt; Performance Indicators &gt; all sections &gt; EHS professionals on staff</a>
SO 5	Public policy positions and participation in public policy development and lobbying.	<a href="#">About Suncor &gt; Corporate Governance &gt; Public Policy Participation</a>

## **Anti-Corruption**

### **Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery**

#### **Commitment**

Suncor’s position on bribery and corruption is clear—no employee, agent or contractor of Suncor or its subsidiaries will offer or accept a bribe. The direct or indirect offer, payment, solicitation or acceptance of bribes in any form (including a kickback, unlawful facilitation payment or favour) is unacceptable and contrary to Suncor’s Business Code of conduct as well as applicable local and foreign laws.

#### **Systems**

- Each year, Suncor’s directors, officers, non-union employees and contract workers must read the company’s Business Code of conduct policies and acknowledge they have complied with them during the preceding calendar year. These policies include: Competition, Conflict of Interest and Confidentiality, Trading in shares and securities, Improper payments, Trade Relations, Harassment Free Working Environment, Accounting Reporting and Business Control, Use of Company Assets, Gifts and Entertainment and the Business Conduct Policy Statement.
- Suncor’s Competition policy outlines Suncor’s belief in free enterprise and in healthy and unhampered competition, within the scope of national competition laws.
- Suncor’s Improper Payments Policy details the company’s policy on the prohibition of bribery and improper payments. This policy is applicable to employees, agents and contractors of Suncor.
- The Improper Payments Policy also details reporting procedures in the event a violation of the policy occurs.
- Retaliation by anyone as a consequence of Suncor Personnel making a good faith report of a possible violation is strictly prohibited and will result in disciplinary action, including termination

- Internal Audit is responsible for examining the possibility of Improper Payments being made in any or all of Suncor’s business units
- The Senior Executive of each Suncor Business Unit and the Senior Executive of Suncor in each host country will ensure that adequate controls are in place to prevent improper payments.
- Suncor’s chief compliance officer maintains the procedures necessary to prevent any corruption-related violations. The officer also implements relevant training programs.

**Activities**

- Suncor’s Chief Compliance Officer is responsible for implementing an appropriate training program on the substance of the Improper Payments policy for all Suncor personnel operating in Suncor’s International and Offshore section of its Exploration and Production business unit; and for those personnel who the Chief Compliance Officer deems appropriate.
- Suncor conducts an annual business conduct compliance program that includes procurement, employee and management fraud. All Suncor employees conduct online training on our corporate code of conduct called: Standards of Business Conduct Compliance Program.”
- Suncor’s improper payments policy outlines in detail the proper procedure for dealing with violations and incidents of bribery and improper payments.
- Suncor’s improper payments policy also details the appropriate procedure for political contributions and charitable donations.
- The policy also outlines in specificity the detailed nature in which employees need to conduct due diligence prior to retaining an agent, contractor or entering a joint venture on Suncor’s behalf.
- Suncor offers an integrity hotline available 24 hours a day, seven days a week, 365 days a year for employees to call to report any sensitive grievance and/or suspected violations that they do not feel comfortable airing to their supervisors. This hotline is managed by an independent third party provider.
- Our joint venture operations in Syria have committed to an ethics charter committing the joint venture to comply with Suncor’s Business Code of Conduct, respecting the principles of free competition and rejecting any form of bribery and corruption.

**Performance**

Relevant GRI Indicators		
Indicator	Definition	Link
SO 2	Percentage and total number of business units analyzed for risks related to corruption.	<a href="#">Performance Measures &gt; Additional Policies and Programs &gt; Social Indicators</a>
SO 3	Percentage of employees trained in organization’s anti-corruption policies and procedures.	<a href="#">Performance Measures &gt; Additional Policies and Programs &gt; Social Indicators</a>
SO 4	Actions taken in response to incidents of corruption.	<a href="#">Performance Measures &gt; Additional Policies and Programs &gt; Social Indicators</a>

Relevant GRI Indicators		
Indicator	Definition	Link
SO 5	Public policy positions and participation in public policy development and lobbying.	<a href="#">About Suncor &gt; Corporate Governance &gt; Public Policy Participation</a>
SO 6	Total value of financial and in-kind contributions to political parties, politicians and related institutions by country.	<a href="#">Performance Measures &gt; Performance Indicators &gt; Suncor-Wide &gt; political contributions</a>

## Overall Performance

In addition to the relevant GRI performance indicators outlined under each of the 10 Global Compact principles, Suncor also sets corporate goals for the Environment (Environmental Excellence Plan, Renewable Energy, Tailings) and Social (Safety, Health and Security, Social Responsibility and Community Investment) aspects of the organization. Suncor reports on our progress towards these goals every other year in our Report on Sustainability.

Suncor's goals and progress can be found at the following link:  
<http://sustainability.suncor.com/2011/en/responsible/3428.aspx>

## Partnerships for Development

As a starting principle, Suncor seeks to engage with our partners and particularly with our Environmental Non-Governmental Organizations (ENGOS) partners in an atmosphere of mutual respect, though this does not mean either side is co-opted by the other. With the exception of specific initiatives on which we have agreed to cooperate, our ENGO partners are free to publicly criticize our company or industry as they see fit. Suncor, in turn, is free to counter statements and research by ENGO partners if we know it to be contrary to established facts. Simply put, both sides can agree to disagree, while continuing to work together for the greater good. We have entered into several successful partnerships with ENGOS in recent years. Those organizations include:

1. **The Pembina Institute** — an Alberta-based ENGO dedicated to seeking sustainable energy solutions through innovation, research, education, consulting and advocacy. Pembina has worked with Suncor on a number of initiatives, including carbon capture and storage, life cycle value assessments for Suncor's renewable energy sector, and consulted on the issue of low carbon fuel standards.
2. **The Alberta Conservation Association (ACA)**. The ACA delivers a wide range of projects, programs and services aimed at protecting Alberta's wildlife, fish and habitat. In 2005, the Suncor Energy Foundation entered into a unique partnership with the ACA to conserve habitat in the boreal region of northern Alberta. The initiative is designed to find sustainable ways to offset the land disturbed by Suncor's operations. Under the agreement, which was extended in 2008 for a further three years, some of the conserved land will be transferred to the Alberta park system.
3. **Ducks Unlimited Canada (DUC)**. DUC is a national, private, non-profit organization committed to wetland conservation. In 2008, the Suncor Energy Foundation invested in a

five-year partnership to protect and maintain wetland and watershed health in the Western Canadian boreal forest. The work includes gathering and sharing examples of best practices in the oil and gas industry, coordinating research and raising public awareness. Suncor and DUC also signed a Memorandum of Understanding in 2008 that set out terms of reference in connection with an ongoing working relationship between the two organizations. The objectives in developing an ongoing working relationship are as follows:

- For Suncor to develop strategies and undertake actions to further its development as a sustainable energy enterprise and to continuously improve its environmental performance and conservation and development of wetlands;
- for DUC to influence and assist progressive energy companies to continuously improve their environmental performance, reduce their impacts on watershed health and wetland protection, and to contribute towards the development of environmentally sustainable and economically sound energy services and energy supply systems.

**4. The Environmental Defense Fund (EDF).** EDF is an American non-profit organization that evaluates environmental problems and works to create innovative, equitable and cost-effective solutions. Suncor partnered with the EDF to draw up model principles for reporting greenhouse gas emissions. These principles helped inform a climate change action plan being developed by the State of Colorado.

Many of Suncor's operations are located on or near the traditional lands of Aboriginal peoples. We are committed to working closely with Aboriginal peoples and communities to build and maintain effective, long-term and mutually beneficial relationships. To achieve this, we strive for relationships that are based on transparency, mutual respect and trust. Suncor expects to be an operator and developer in the Wood Buffalo region for decades to come. For this reason, we are working with the First Nations and Métis locals in the region towards longer term funding and planning agreements that will help address issues of concern in their communities and how we might best work together on sustainable solutions. Some examples of our partnering in this area include:

- 1. Women Building Futures (WBF),** Suncor through its Suncor Energy Foundation supports the WBF initiative that seeks to empower women, including Aboriginal women, to succeed in non-traditional careers, such as the construction trades. The organization's Edmonton-based Women Building Futures Suncor Training Centre is the first of its kind in Canada and provides participants with the theory, skill training and workplace conditioning they need to be successful.
- 2. National Aboriginal Achievement Awards (NAAA)** Suncor is a partner and supporter of the NAAA, an annual celebration of Aboriginal accomplishments that celebrates success stories from Aboriginal communities and allows young people to meet Aboriginal role models. In 2010, Suncor and the NAAA co-hosted a Youth Luncheon in Regina, Saskatchewan, providing youth with the opportunity to engage with past and present award recipients. And in March 2011, during the NAAA's annual gala in Edmonton, Suncor hosted nearly 50 youth and chaperones from our Aboriginal communities for a drum making workshop in conjunction with the Women Building Futures program. Through its participation with the NAAA, Suncor learns more about Aboriginal culture and heritage.

**3. Fort McKay Nation** In 2010, Suncor continued to work in partnership with the Fort McKay First Nation on a “business Incubator” pilot project to promote economic development and entrepreneurship in Fort McKay. Through the use of accountability agreements, Suncor also continues to work with Aboriginal companies (for example, Mikisew Industrial Supply) to support and maintain sustainable enterprises in the Wood Buffalo region.

In addition to our environmental and social partnerships, we also are a member of industry associations which include the following:

- 1. Canadian Association of Petroleum Producers (CAPP)** CAPP represents members companies that produce about 90% of Canada’s natural gas and crude oil. CAPP’s mission is to enhance the economic sustainability of the Canadian upstream petroleum industry in a safe, environmentally and socially responsible manner, through constructive engagement and communication with governments, the public and stakeholders in the communities in which its members operate. CAPP’s Stewardship Report represents the commitment to responsible development and continuous improvement in environment, health and safety and social performance.
- 2. The Mining Association of Canada (MAC)** MAC’s mission is to promote, through the collective action of members, the growth and development of Canada’s mining and mineral-processing industry, for the benefit of all Canadians.