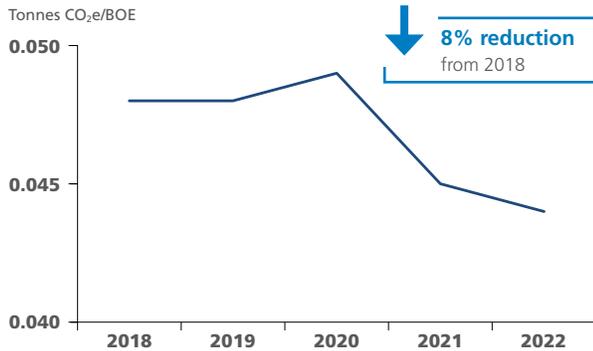


# Canadian Natural's 2022 ESG Highlights

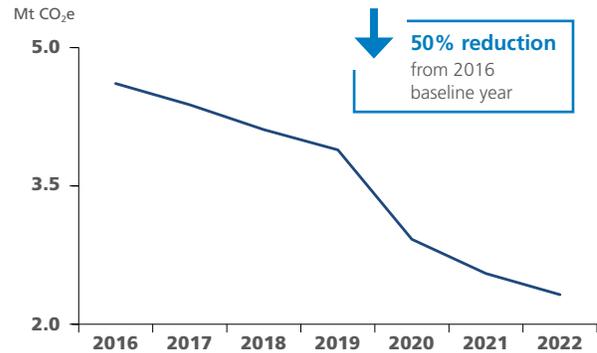


## GHG EMISSIONS MANAGEMENT

Corporate Scope 1 (Direct)  
GHG Emissions Intensity



North America E&P  
Methane Emissions



**10.4 million tonnes of CO<sub>2</sub>e conserved** in primary heavy crude oil and in situ operations since 2018



## GHG EMISSIONS MANAGEMENT STRATEGY

- **Integrating emissions reduction** in project planning and operations
- **Leveraging technology** to create value, enhance performance and reduce emissions
- **Investing in research and development (R&D)** and supporting collaboration
- **Focusing on continuous improvement** to drive long-term emissions reductions through energy and process efficiencies
- **Leading in carbon capture, utilization, sequestration and storage (CCUS)**
- **Engaging proactively in policy and regulation** to effectively manage climate risks and opportunities, including trading capacity and offsetting emissions
- **Reviewing and developing new business opportunities and trends** that present further opportunities to reduce our environmental footprint



## GOVERNANCE

**ESG performance**  
is linked to  
**executive compensation**  
(15% of total weighting)

### Board members with relevant experience

**8** in Climate Change/Carbon Policy and Emissions  
**10** in Health, Safety and Environment  
**12** in Risk Management



## TARGETS

### Net zero in our oil sands operations by 2050 through Pathways Alliance

**40% reduction**  
in corporate absolute Scope 1&2 GHG  
Emissions by 2035 from 2020 baseline

**50% reduction**  
in NA E&P Methane Emissions by  
2030 from 2016 baseline

**40% reduction**  
in in situ fresh water use intensity  
by 2026 from 2017 baseline

**40% reduction**  
in oil sands mining fresh river water use  
intensity by 2026 from 2017 baseline



## TECHNOLOGY AND INNOVATION

### R&D leader in the Canadian crude oil and natural gas industry<sup>1</sup>

**\$587 million invested**  
in technology development and  
deployment in 2022<sup>2</sup>

**\$151 million invested**  
in technology development and implementation  
to reduce GHG emissions in 2022

1. Research InfoSource, Canada's Top 100 Corporate R&D Spenders 2022.

2. Technology Development includes R&D with academic institutions, eligible Scientific Research and Experimental Development claims for Canadian income tax purposes, and other activities that create or deploy new technology, or improve existing technology.



## LEADERSHIP IN CCUS PROJECTS

**2.7 million tonnes of CO<sub>2</sub>e per year total capture capacity** the same as taking  
~576,000 passenger vehicles  
off the road per year

**7.7 million tonnes of CO<sub>2</sub>e captured and safely stored at Quest**  
since 2015

**Largest owner of carbon capture capacity**  
in the Canadian crude oil  
and natural gas sector;  
6th largest globally<sup>3</sup>

3. Based on data from the Global Carbon Capture Institute.



# RECLAMATION

**8.6 million trees planted** across operations to date

**1.2 million trees planted** across operations in 2022

**12,641 hectares reclaimed** in NA E&P since 2016

**3,121 inactive wells abandoned** in NA E&P in 2022

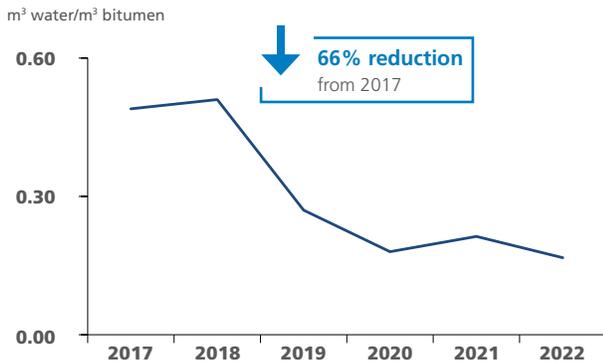
**1,057 reclamation certificates submitted** in NA E&P in 2022; equivalent to ~1,444 Canadian football fields

**2023 goal of >1,200 reclamation certificates per year**



# WATER USE

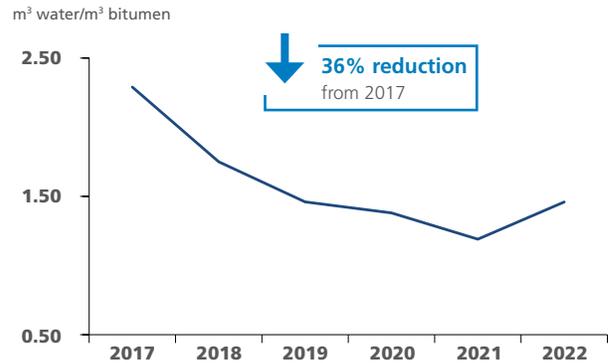
## In Situ Fresh Water Use Intensity



Includes Alberta thermal in situ facilities. In situ fresh water use intensity has decreased from 2021 due to increased use of treated process water and saline water sources in operations.

**83% recycle rate** of produced water in in situ operations

## Oil Sands Mining River Water Use Intensity



Includes river water and tributaries. Fresh river water use intensity increased from 2021 to 2022 due to temporary operational constraints that reduced the water availability from the Horizon tailings pond for reuse in our operations and led to higher river water withdrawals. Constraints were resolved in 2022 and we are targeting improved intensity for 2023.

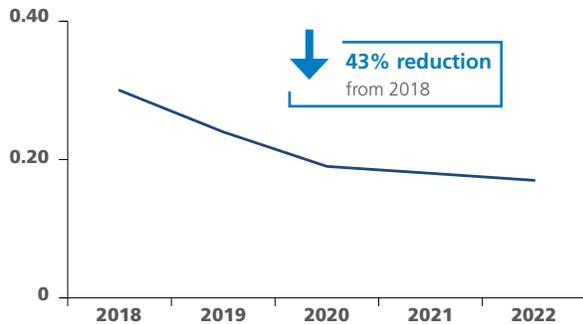
**83% recycle rate** of surface water in oil sands mining



# WORKPLACE SAFETY AND PROCESS SAFETY

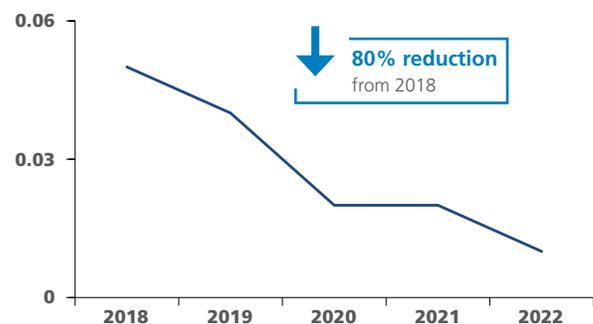
## Corporate Total Recordable Injury Frequency (TRIF) (Employees and Contractors)<sup>1</sup>

Incidents per 200,000 exposure hours



## Corporate Lost Time Incident (LTI) Frequency (Employees and Contractors)<sup>1</sup>

Incidents per 200,000 exposure hours



1. Revised to align with Energy Safety Canada's methodology.

**54% reduction** in Tier 1 and Tier 2 process safety events from 2018

**AAA rating for tailings management and dam safety, the highest rating** in the Mining Association of Canada's Towards Sustainable Mining Framework

**>78,000 Worksite Safety Observations** proactively identifying improvement opportunities



# ECONOMIC CONTRIBUTIONS AND COMMUNITY

**87,755 full-time equivalent jobs supported** by operational and capital spending

**Jobs breakdown:**

- **22,401** direct
- **44,341** indirect (suppliers)
- **21,013** induced (economy at large)

**\$10.6 billion in contributions to governments and local communities in 2022**

**Including:**

- Royalties **\$7.2 billion**
- Corporate taxes **\$2.9 billion**
- Property taxes **\$344 million**
- Surface and mineral land leases **\$183 million**

**\$14.2 billion of capital and operational spending** providing significant economic contribution and support for jobs across our operations in 2022

**\$9 billion** total supply chain spending with ~9,000 suppliers worldwide

**\$684 million in contracts** a 20% increase from 2021, **with 167 Indigenous businesses**