

## 2020 ESG/Sustainability Reporting

### Financial Stability Board (FSB) – Task Force on Climate-related Financial Disclosure (TCFD)



To continue providing diligent reporting of our performance, and to align with stakeholder and shareholder expectations, our ESG/sustainability reporting continues to be enhanced to align with recommendations from the Financial Stability Board (FSB) Task Force on Climate-Related Financial Disclosures (TCFD). The table below provides links to disclosures where Canadian Natural is aligned with the TCFD recommendations.

TCFD Framework Recommended Disclosures	Canadian Natural GHG Disclosures
<b>GOVERNANCE</b>	
Describe the <b>board’s oversight</b> of climate-related risks and opportunities.	<a href="#">(Webpage) Sustainability Governance and Stewardship</a> <a href="#">(Webpage) Climate Governance and Risk Management</a> <a href="#">(Webpage) Sustainability Reporting</a> <a href="#">2020 Stewardship Report to Stakeholders</a> , page 12 <a href="#">Management Information Circular (MIC)</a> , pages 6-12, 19, A-1, A-3, A-5 to A-8 <a href="#">Health, Safety, Asset Integrity and Environmental Committee Charter</a> <a href="#">CDP Climate</a> , questions C1.1a, C1.1b, C1.2, C1.2a, C1.3, C1.3a, C2.2
Describe <b>management’s role in assessing and managing</b> climate-related risks and opportunities.	<a href="#">2020 Stewardship Report to Stakeholders</a> , pages 8, 29-30 <a href="#">MIC</a> , pages 18, 24-35, A-5 to A-8 <a href="#">Annual Information Form (AIF)</a> , pages 11, 15 <a href="#">Health, Safety, Asset Integrity and Environmental Committee Charter</a> <a href="#">Corporate Statement on Environmental Management</a> <a href="#">CDP Climate</a> , questions C1.1a, C1.1b, C1.2, C1.2a, C2.2 <a href="#">(Webpage) Sustainability Governance and Stewardship</a> <a href="#">(Webpage) Climate Governance and Risk Management</a> <a href="#">(Webpage) Environment</a>
<b>STRATEGY</b>	
Describe the <b>climate-related risks and opportunities</b> the organization has identified over the short, medium, and long term.	<a href="#">AIF</a> , pages 4-5, 11-20, 61 <a href="#">CDP Climate</a> , questions C2.1a, C2.1b, C2.2, C2.2a, C2.3a, C2.4a, C3.1b, C3.3, C3.4, C4.3c, C4.5a, C-OG9.8b, C-OG9.8c, C11.1a, C11.1b, C11.1c, C11.1d, C11.2a, C12.3c, C12.3f <a href="#">Annual Report</a> , pages 2, 5-7, 37-41, 44-45, 68, 95-99 <a href="#">(Webpage) Advancements in Technology</a> <a href="#">(Webpage) GHG emissions reduction programs</a> <a href="#">(Webpage) Managing tailings</a> <a href="#">(Webpage) Research collaboration</a> <a href="#">2020 Stewardship Report to Stakeholders</a> , pages 3-5, 10-16, 25-31 <a href="#">Technology and Innovation Case Studies booklet</a>

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<p><b>Describe the impact</b> of climate-related risks and opportunities on the organization’s businesses, strategy, and financial planning.</p>	<a href="#">2020 Stewardship Report to Stakeholders</a> , pages 3-6, 10-16, 25-31
	<a href="#">AIF</a> , pages 11-20
	<a href="#">CDP Climate</a> , questions C2.2a, C2.3a, C2.4c, C3.3, C3.4
	(Webpage) <a href="#">Climate Governance and Risk Management</a>
	(Webpage) <a href="#">GHG emissions reduction programs</a>
<p><b>Describe the resilience</b> of the organization’s strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.</p>	(Webpage) <a href="#">Climate Governance and Risk Management</a>
	<a href="#">2020 Stewardship Report to Stakeholders</a> , pages 3-7, 10-16, 25-31
	<a href="#">CDP Climate</a> , questions C2.2, C3.1b, C3.2a, C6.10
<b>RISK MANAGEMENT</b>	
<p>Describe the organization’s <b>processes for identifying and assessing</b> climate-related risks.</p>	<a href="#">2020 Stewardship Report to Stakeholders</a> , pages 10-12
	<a href="#">MIC</a> , pages 18, A-5, A-6
	<a href="#">AIF</a> , pages 4-5, 11-20
	<a href="#">Health, Safety, Asset Integrity and Environmental Committee Charter</a>
	<a href="#">CDP Climate</a> , questions C2.2, C2.2a, C2.3a, C4.3c
	(Webpage) <a href="#">Sustainability Governance and Stewardship</a>
<p>Describe the organization’s <b>processes for managing</b> climate-related risks.</p>	(Webpage) <a href="#">Climate Governance and Risk Management</a>
	<a href="#">CDP Climate</a> , questions C2.1b, C2.2, C2.2a, c2.3a, C3.1b, C3.3, C3.4, C4.3a, C4.3b, C4.3c, C4.5a, C7.9a, C-OG4.6, C-OG4.7a, C-OG4.8, C11.3a
	<a href="#">2020 Stewardship Report to Stakeholders</a> , pages 3-6, 10-16, 25-31
	(Webpage) <a href="#">Climate Governance and Risk Management</a>
	(Webpage) <a href="#">Environmental Management System</a>
	(Webpage) <a href="#">Environmental planning and monitoring</a>
<p>Describe <b>how processes</b> for identifying, assessing, and managing climate-related risks <b>are integrated</b> into the organization’s overall risk management.</p>	(Webpage) <a href="#">Advancements in Technology</a>
	(Webpage) <a href="#">Research collaboration</a>
	<a href="#">MIC</a> , pages 18, A-5, A-6
	<a href="#">AIF</a> , pages 11-20
	<a href="#">2020 Stewardship Report to Stakeholders</a> , pages 10-13
(Webpage) <a href="#">Climate Governance and Risk Management</a>	
(Webpage) <a href="#">Advancements in Technology</a>	
<a href="#">CDP Climate</a> , questions C2.2, C2.2a, C3.1e	

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<b>METRICS AND TARGETS</b>	
<p><b>Disclose the metrics</b> used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process.</p>	<p><a href="#">2020 Stewardship Report to Stakeholders</a>, pages 6-7, 10-16, 23-31, 51-53</p> <p><a href="#">AIF</a>, pages 4-5, 11-20</p> <p><a href="#">MIC</a>, pages 30-41, A-5, A-6</p> <p><a href="#">CDP Climate</a>, questions C2.2, C2.2a, C2.3a, C2.4a, C4.3c, C6.10</p> <p>(Webpage) <a href="#">Sustainability Governance and Stewardship</a></p> <p>(Webpage) <a href="#">Climate Governance and Risk Management</a></p> <p>(Webpage) <a href="#">Climate change leadership</a></p> <p>(Webpage) <a href="#">Land</a></p> <p>(Webpage) <a href="#">Water</a></p> <p><a href="#">CDP Water</a>, question W1.2, W1.2b, W1.2c, W1.2h, W1.2i</p>
<p>Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (<b>GHG</b>) emissions, and the related risks.</p>	<p><a href="#">CDP Climate</a>, questions C6.1, C6.2, C6.3, C6.4a, C6.10, C-OG4.6, C-OG4.7a, C-OG6.12, C-OG6.13, C7.1a, C-OG7.1b, C7.2, C7.3, C7.3a, C7.5, 7.6, C7.6c, C7.9a, C7.9b, C11.1b</p> <p><a href="#">2020 Stewardship Report to Stakeholders</a>, pages 51-52</p>
<p><b>Describe the targets</b> used by the organization to manage climate-related risks and opportunities and performance against targets.</p>	<p><a href="#">2020 Stewardship Report to Stakeholders</a>, pages 5-7, 10, 16, 51-52</p> <p><a href="#">MIC</a>, pages 26, 33-34</p> <p><a href="#">CDP Climate</a>, questions C4.1b, C4.2, C4.2b, C4.2c, C6.10</p> <p>(Webpage) <a href="#">Climate change leadership</a></p>