Canadian Natural ESG Highlights

**11.4 million tonnes of CO₂e conserved**
in primary heavy crude oil and in situ operations since 2017

**Governance**

ESG performance is linked to executive compensation

- 4 of 9 independent directors are women

Board members with relevant experience

- 7 in Climate Change/Carbon Policy and Emissions
- 9 in Health, Safety and Environment
- 11 in Risk Management

**ESG Performance Among Top Oil Exporting Nations**

<table>
<thead>
<tr>
<th>Country</th>
<th>Environment</th>
<th>Social</th>
<th>Governance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Canada</td>
<td>250</td>
<td>150</td>
<td>100</td>
</tr>
<tr>
<td>United States</td>
<td>225</td>
<td>125</td>
<td>80</td>
</tr>
<tr>
<td>UAE</td>
<td>200</td>
<td>100</td>
<td>50</td>
</tr>
<tr>
<td>Kuwait</td>
<td>175</td>
<td>85</td>
<td>45</td>
</tr>
<tr>
<td>Kazakhstan</td>
<td>150</td>
<td>75</td>
<td>35</td>
</tr>
<tr>
<td>Saudi Arabia</td>
<td>125</td>
<td>60</td>
<td>25</td>
</tr>
<tr>
<td>Russia</td>
<td>100</td>
<td>50</td>
<td>20</td>
</tr>
<tr>
<td>Iran</td>
<td>75</td>
<td>35</td>
<td>15</td>
</tr>
<tr>
<td>Nigeria</td>
<td>50</td>
<td>20</td>
<td>10</td>
</tr>
<tr>
<td>Iraq</td>
<td>25</td>
<td>10</td>
<td>5</td>
</tr>
<tr>
<td>Libya</td>
<td>10</td>
<td>5</td>
<td>2.5</td>
</tr>
<tr>
<td>Venezuela</td>
<td>5</td>
<td>2.5</td>
<td>1.25</td>
</tr>
</tbody>
</table>

1. 2022 Yale Environment Performance Index (EPI).
2. 2021 Social Progress Index (SPI) prepared by Social Progress Imperative.
3. 2020 World Governance Indicators (WGI), Regulatory Quality Score percentile rank.
4. Libya Environmental score not shown due to insufficient data and Governance score is negligible.
5. Venezuela Social score not shown due to insufficient data and Governance score is negligible.

**GHG Emissions**

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

- 13% reduction from 2017

**North America E&P Methane Emissions**

- 45% reduction from 2016

**North America E&P Methane Emissions**

<table>
<thead>
<tr>
<th>Year</th>
<th>CO₂eMt</th>
</tr>
</thead>
<tbody>
<tr>
<td>2016</td>
<td>5.0</td>
</tr>
<tr>
<td>2017</td>
<td>3.5</td>
</tr>
<tr>
<td>2018</td>
<td>2.0</td>
</tr>
<tr>
<td>2019</td>
<td>1.5</td>
</tr>
<tr>
<td>2020</td>
<td>1.0</td>
</tr>
<tr>
<td>2021</td>
<td>0.5</td>
</tr>
</tbody>
</table>

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

- 13% reduction from 2017

**Aggregate ESG Score**

- Environment
- Social
- Governance
Leadership in CCUS Projects

Largest owner of carbon capture capacity in the Canadian crude oil and natural gas sector (based on data from the Global Carbon Capture Institute)

2.7 million tonnes CO$_2$e/year total capture capacity
the same as taking ~576,000 passenger vehicles off the road per year

6 million tonnes CO$_2$e captured and safely stored at Quest since 2015, where CO$_2$ is captured from the Scotford Upgrader. Quest and the upgrader are part of the Athabasca Oil Sands Project, of which Canadian Natural has a 70% ownership interest

R&D Investment Leader

$450 million invested in technology development and deployment in 2021

$84 million invested in technology development and implementation to reduce GHG emissions in 2021

Innovation and Technology

Recognize the need to reduce GHG emissions

Leverage technology and Canadian ingenuity

Opportunities to reduce emissions further

Investing in Innovation and Technology

✓ Reduce environmental footprint
✓ Unlock reserves
✓ Increase production
✓ Effective and efficient operations — lower costs

Environmental Targets

NA E&P methane emissions
50% reduction by 2030 from 2016 baseline

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

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

1. 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.
3,000+ wells abandoned
in NA E&P in 2021

10,850 hectares reclaimed
in NA E&P since 2016

7.3 million trees planted
across operations to date

1.4 million trees planted
across operations in 2021

Reclaimed wheat field. In our conventional and thermal operations, we use an area-based approach to strategically reclaim large contiguous areas. In this way, we are taking sites out of service in a safe and environmentally sound manner, while reducing reclamation, abandonment, and decommissioning timelines and costs.

Water Use

**In Situ Fresh Water Use Intensity**

$m^3$ water/$m^3$ bitumen

- 2017
- 2018
- 2019
- 2020
- 2021

57% reduction from 2017

Includes Alberta thermal in situ facilities. In situ water use intensity has decreased due to optimization of water use and increased bitumen production with no associated freshwater requirements.

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

$m^3$ water/$m^3$ bitumen

- 2017
- 2018
- 2019
- 2020
- 2021

48% reduction from 2017

Includes river water and tributaries. 2021 precipitation was higher than expected, reducing the withdrawal requirement of fresh river water.

85% recycle rate
of produced water in thermal operations

86% recycle rate
of surface water in oil sands mining
Workplace Safety and Process Safety

Corporate Total Recordable Injury Frequency (TRIF) (Employees and Contractors)

Incidents per 200,000 exposure hours

2017 2018 2019 2020 2021

49% reduction from 2017

Corporate Lost Time Incident (LTI) Frequency (Employees and Contractors)

Incidents per 200,000 exposure hours

2017 2018 2019 2020 2021

67% reduction from 2017

Economic and Community Contributions

43% decrease in Tier 1 and Tier 2 process safety events versus 2017

AAA rating for tailings management for Horizon and Albian, the highest rating that can be achieved in the Towards Sustainable Mining Framework

80,728 full-time equivalent jobs supported by operational and capital spending

Jobs breakdown:
- Direct 18,591 jobs
- Indirect (suppliers) 42,662 jobs
- Induced (economy at large) 19,475 jobs

$5.3 billion in contributions to governments and local communities in 2021

Including:
- Royalties $2.8 billion
- Corporate taxes $1.9 billion
- Property taxes $339 million
- Surface and mineral land leases $202 million

$11.1 billion of capital and operational spending providing significant economic contribution and support for jobs across our operations in 2021

$6.8 billion total supply chain spending with 9,000+ suppliers worldwide

$572 million in contracts 17% increase from 2020, with 144 Indigenous businesses

For more information on our ESG Performance, read our 2021 Sustainability Report.