



## **POLICY GUIDANCE & STANDARDS**

### **CONFLICT OF INTEREST AND CONFIDENTIALITY**

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#### **SCOPE AND PURPOSE**

This policy guidance & standard (PG&S) applies to Suncor Energy Inc. and its subsidiaries world-wide (collectively "Suncor" or the "Company"). References in this document to "Suncor Personnel" include members of the board of directors, officers, employees, contract workers, consultants and agents of Suncor. All Suncor Personnel are expected to comply with this PG&S. Supervisors and managers are expected to promote a working environment consistent with this PG&S and assist Suncor Personnel within their supervision to understand and comply with this PG&S. This PG&S is subject to and forms part of Suncor's Standards of Business Conduct Code and Compliance Program.

The purpose of this PG&S is:

- To define where the interests of Suncor Personnel and of Suncor are in conflict; and
- To provide information on civil and criminal activities that may be found in a business environment, and a responsible means for Suncor to exercise its duty to protect its human and physical resources.

#### **GUIDANCE AND STANDARDS**

Suncor's Values statement best communicates management's expectations for ethical business conduct to Suncor Personnel, communities and the people we do business with. It states the fundamental principles by which we will behave, and how we expect our business partners and suppliers to conduct themselves in their interactions with Suncor and its stakeholders.

All Suncor Personnel have an obligation to Suncor to further its goals, safeguard its assets, and generally work on behalf of its best interests, in compliance with legal requirements and within the spirit of our Values. To meet this obligation, individuals must be aware of the following:

- I. Conflict of Interest -- A conflict of interest is considered to occur when an individual's course of action or decision could result in an improvement to the individual's personal interest or a monetary gain, together with a concurrent depreciation of Suncor's interests or otherwise adverse effect on Suncor. Such a conflict may also arise from the diversion of an individual's time to an outside business or activity which deprives Suncor of the individual's service without an off-setting direct or indirect benefit to Suncor.

- II. Confidentiality -- Confidential information includes all information, knowledge and data (whether or not obtained, acquired or developed by the individual), known or used by Suncor in its business, and not publicly known.
- III. Other Illegal Activities -- Other activities that breach criminal or civil law include fraud, theft, financial misrepresentation, forgery, counterfeit, etc. Reference has also been made to some significant criminal activities in the other Suncor PG&S included in the Standards of Business Conduct Code and Compliance Program. Suncor provides internal policies, guidelines and standards to assist people to interpret, understand and implement ethical business practices in compliance with legal requirements. Individuals are also encouraged to take advantage of other internal communication opportunities to clarify and discuss these issues.

### ***Important Information on Intellectual Property***

Through your employment with Suncor you may be engaged in various forms of research, problem solving or invention. The product of the efforts produced within the scope of your employment belongs to Suncor, whether the product was developed while actually at work or not. Such products, commonly called "intellectual property" or "IP", include computer programs, technical processes, inventions, research methods, reports or articles and any other form of innovation or development, including material protected by patents, trademarks or copyright, as appropriate. IP assets and rights are important in enabling Suncor to retain industry leadership and derive competitive value from continued investment in innovation. They belong to and are the property of Suncor. Be vigilant in protecting Suncor's IP rights and assets as well as avoiding the infringement of the IP rights of others. Be sure to consult with your supervisor, leader or with Legal Affairs, before receiving, disclosing, or agreeing to receive or disclose, any information or IP received in confidence, and before disclosing any proprietary information in a public forum, including conference papers, trade journals or articles, or even by e-mail.

### APPLICATION

- I. Any individual who has a potential conflict of interest must immediately and fully disclose the matter in writing to their Supervisor, or their most senior Human Resources representative who, in consultation with the business or corporate legal department, will provide them with a written response and guidance with respect to the potential conflict. Copies of all documentation pertaining to the matter will be retained in the individual's file. In addition, members of the board of directors, employees and contract workers will be required, through the annual Standards of Business Conduct Compliance Program, to disclose any significant changes to the circumstances surrounding the matter in question which may cause Suncor to reconsider its position.
- II. While employed with or otherwise engaged by Suncor and afterward, all individuals shall keep confidential and refrain from using directly or indirectly (other than as required for their job responsibilities) all confidential information. If an individual is questioned by a representative of the news media or investment community, and responding to such inquiries is not part of his or her authorized duties, the representative should be referred to the appropriate company spokesperson. Upon termination, all business documents, lists, records, files, materials, samples, tools, equipment and all other property of Suncor, including any copies of these items, shall be returned to Suncor. In order to prevent the misuse or inadvertent disclosure of confidential information, Suncor Personnel shall take appropriate precautions, including the following:
  - Confidential information should not be discussed in places where the discussion may be overheard, such as elevators, hallways, restaurants, airplanes or taxis.
  - Confidential information should not be discussed on cell phones where others may have the ability to intercept the communication.

- Confidential documents should not be read in public places or discarded or stored in places where they can be readily retrieved by unauthorized persons. Confidential documents should be stored in a safe place to which access is restricted to persons with a “need to know”.
- Confidential documents should not be transmitted electronically (fax, email) unless it is reasonable to assume that the transmission can be made and received under secure conditions.

Any individual who is aware of a breach of this PG&S or a conflict of interest situation which has not been properly disclosed to management should contact his or her Executive Leadership Team representative or refer the matter to the Director, Internal Audit for guidance. Issues relating to Executive Leadership Team representatives or corporate office employees should be referred to the Director, Internal Audit. Investigations will be dealt with in compliance with law, and with an appropriate level of confidence having regard to the circumstances, to protect the rights of the organization and the individuals involved.

## EXAMPLES OF CONFLICT OF INTEREST SITUATIONS

Appearances can be as damaging as actions. Individuals should not only refrain from becoming involved in actual conflict situations, they should also avoid placing themselves in positions that may be perceived as conflicts. As each case may involve special circumstances, each case should be generally judged on its own merits. Accordingly, it is not feasible to specify all possibilities which may give rise to a conflict of interest. It is up to each person, when in doubt, to err on the side of reporting the matter. The following, however, illustrates certain types of potential conflicts. More detailed examples, specific to your business unit, are available from Human Resources.

1. Direct or indirect involvement in outside interests which may (a) compromise an individual's judgement or ability to act solely in the best interest of Suncor; and/or (b) deprive Suncor of the individual's services without an off-setting direct or indirect benefit to Suncor (employees should see also ***Directors, Officers, Trustees & Board Members of Outside Organizations PG&S***).
2. The use of material confidential information about Suncor in connection with the purchase or sale of Suncor securities or disclosure of such information to persons outside the necessary course of Suncor business. Such use or disclosure of information may constitute a violation of securities law and subject the individual to civil and criminal penalties. Suncor personnel involved in a venture or project with another entity should not trade in the shares or other securities of the other entity with knowledge of an undisclosed material fact or change in the affairs of the other entity. (See ***also Disclosure of Material Information and Trading in Shares and Securities PG&S***)
3. Trading in oil or gas properties or royalty interests, or engaging in activities involving oil and gas producing properties or facilities used in pipelining, refining or marketing, for the purpose of personal benefit.
4. Acceptance by Suncor Personnel or a family member of gifts, entertainment or favours which go beyond customary courtesies usually associated with accepted business practice and which could place the individual under an obligation to a vendor or other person seeking to do business with Suncor. The individual's supervisor should be advised of any such situation. In certain situations, refusal of gifts with a value substantially in excess of customary business practices can result in awkward business situations. The propriety of employees keeping such valuable gifts for personal use versus turning them over to the Company, donating them to charity, or other disposition should

be discussed in each case with the individual's supervisor. It is never permissible to accept a gift in cash or cash equivalents (e.g. stocks or other forms of marketable securities) of any amount.

5. Direct or indirect ownership or control of a material financial interest in a supplier, contractor, competitor or in any business enterprise which does or seeks to do business with Suncor.
6. Misappropriation of Suncor resources (facilities, equipment, supplies, data, information, etc.) for personal use or benefit.
7. Gifts, favours and entertainment given to others may be perceived as creating a conflict of interest. They may be given to others at Company expense only if they meet all the following criteria:
  - (a) consistent with customary business practices;
  - (b) not excessive in value and cannot be construed as a bribe or pay-off (see **Prevention of Improper Payments PG&S**);
  - (c) not in violation of applicable law or ethical standards; and
  - (d) public disclosure of the facts will not embarrass Suncor nor the employee.

#### EXAMPLES OF CONFIDENTIALITY BREACH

Disclosure, without the prior written consent of Suncor, of any of the following confidential information, without limitation, constitutes a breach of this PG&S:

- (i) business opportunities, including all ventures considered by Suncor, whether or not they are pursued;
- (ii) production methods, including designs, formulae, techniques, processes, computer programs and knowledge about equipment and machinery;
- (iii) financial information, including Suncor's costs, sales, income, profits, salaries and wages;
- (iv) research and development information, including details of any research, development, experimentation or tests proposed or carried out by Suncor;
- (v) customer information, including customer names and addresses, markets, knowledge of Suncor's contracts with its customers, and details of pricing, marketing and supply strategies.

In addition to other potential legal consequences, any individual who violates this PG&S (or who acts contrary to the written response and guidance referred to under "Application - I"), is subject to disciplinary action, which may include immediate dismissal.

**EXCEPTIONS**

None

**REFERENCES TO RELATED DOCUMENTS**

*Business Conduct Policy Statement*

*Business Conduct Code and Compliance Program PG&S*

*Directors, Officers, Trustees & Board Members of Outside Organizations PG&S*

*Disclosure of Material Information and Trading in Shares and Securities PG&S*

*Communications to the Public PG&S*

*Prevention of Improper Payments PG&S*