



## **POLICY GUIDANCE & STANDARDS**

### **DIRECTORS, OFFICERS, TRUSTEES AND BOARD MEMBERS OF OUTSIDE ORGANIZATIONS**

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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"). All Suncor Employees must comply with this PG&S.

Officers and employees of Suncor ("Employees") are sometimes invited to serve as directors, officers or trustees of business or non-profit organizations not affiliated with Suncor. Employees are also encouraged to become active in community and social organizations that improve the public welfare. Service on outside boards provides an opportunity for personal and professional development for Employees and is often beneficial to Suncor. However, such service could present issues, such as potential conflicts of interest, or lead to confusion over commitments. Therefore, the following guidance and standards are provided to clarify these situations for Employees and their managers.

This PG&S is subject to and forms part of Suncor's Standards of Business Conduct Code and Compliance Program.

#### **GUIDANCE & STANDARDS**

Employees considering accepting a position as director, officer or trustee of business, charitable or non-profit organizations must disclose such positions to their manager, who will then work with the Employee to determine whether approval is necessary. New Employees must disclose existing relationships to their manager upon being hired, and obtain approvals where necessary. Please read the following sections carefully for additional information:

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## 1. DISCLOSURE GUIDELINES

Disclosure by Employees of their service or proposed service should include enough information for management to understand the benefits to Suncor and the Employee, the potential impact on the Employee's duties, and any perception or reputation risks that could arise. Employees must provide, in writing, any or all of the same information required for formal approval. Please refer to "Approval Process" below. Based on this information, the manager will determine whether approval is required. Managers should seek the advice of Legal or Internal Audit if they are uncertain of the risks or mitigating controls of a particular situation.

## 2. WHEN SUNCOR INVITES YOU TO BE A DIRECTOR, OFFICER OR TRUSTEE

If Suncor provides a written invitation to become a director, officer or trustee of an organization where Suncor has 1% or greater share ownership, approval is implied.

Expenses to attend board meetings or other expenses incurred by an Employee serving as a director, officer or trustee of a company at Suncor's request, will be reimbursed by Suncor or paid directly by that company. Please read section 6 regarding insurance coverage.

## 3. WHEN YOU ARE INVITED TO BE A DIRECTOR, OFFICER OR TRUSTEE OF CHARITABLE OR OTHER NON-PROFIT ORGANIZATIONS OR ASSOCIATIONS

If the disclosed position relates to being a director, officer or trustee of an estate, a non-profit trust, or an educational, charitable, religious, political, professional or community organization, no Suncor approval is required, **provided that** no perceived conflict of interest (as defined in **Conflict of Interest and Confidentiality PG&S**) or interference with the complete discharge of duties to Suncor would occur. For example, the position will have little or no impact on time or resources otherwise required for fulfilling duties to the Company.

Employees involved in charitable organizations must also disclose such relationship to the Director, Stakeholder Relations and Community Investments, who will provide information about the granting criteria under which the Foundation operates. Such organizations might seek funds from Suncor, but the Employee should not assume that funds would be available. Please refer to the "Expenses, Commitment and Funding" section below.

Written management approval is required for all positions not described above. Such approval is designed to manage liability and the reputation of the Employee and Suncor. Please refer to "Approval Process" below.

## 4. WHEN YOU ARE INVITED TO BE A DIRECTOR, OFFICER OR TRUSTEE OF A BUSINESS

If the disclosed position relates to being a director, officer or trustee of a business connected with the Employee's hobby or special interest, no Suncor approval is required, **provided that** no perceived conflict of interest (as defined in **Conflict of Interest and Confidentiality PG&S**) or interference with the complete discharge of the individual's duties to Suncor would occur. For example, the position will have little or no impact on the individual's time or resources otherwise required for fulfilling duties to the Company, **and** Suncor does not and cannot reasonably be expected to transact or compete with such business.

Employee service as a director, officer or trustee in a business organization not exempted above requires the written approval of the respective business unit Vice President, Executive Vice President or Senior Vice President ("Management"), **and** the General Counsel of Suncor.

Executive Committee members must submit their request to the CEO, who will forward it to Suncor's board of directors. Such approvals are designed to manage liability and the reputation of the Employee and Suncor.

## 5. APPROVAL PROCESS

All requests for approval should address the following questions and issues, where applicable:

1. A description clearly outlining the duties expected of the Employee by the organization. Names and background information on other board members, officers or trustees, if commonly published or distributed.
2. A clear description of the position.
3. An outline of time commitment required. Include an aggregated estimate of time commitments if you are serving on multiple boards.
4. An outline from the organization describing its future plans, range of business activity, ownership, etc. Ensure enough information is provided to judge any potential conflicts with Suncor business.
5. Description of any of your previous board service.
7. A statement of benefits of the directorship or trusteeship to Suncor and the Employee, including any remuneration.
8. Information regarding coverage under the organizations' directors' and officers' liability insurance policy including details of director indemnification according to the bylaws of the organization.

If approval is recommended by Management, the above documentation will be forwarded to the General Counsel of Suncor for final approval. Employees will be advised in writing of the decision regarding their request, including any constraints, monitoring or other risk mitigation requirements associated with such approval.

Management will forward copies of all documentation pertaining to this decision to Human Resources for retention in the Employee's file. In addition, the Employee will be required, through the annual Standards of Business Conduct Compliance Program, to disclose any significant changes to their relationship with the outside organization. Management will provide their Finance Director with the names of business organizations and the Employees associated with them, in order to enable monitoring of the status of Suncor transactions with the identified businesses.

## 6. INSURANCE

Employees may be requested in writing by Suncor, as part of the normal duties of employment, to serve as a director of an outside organization. Before issuing such a request, Management should discuss relevant insurance coverage with the Director, Insurance, so that appropriate information can be included in the request document.

Such Employees would be indemnified by Suncor for all reasonable costs, charges, claims and expenses including, without limitation, amounts paid to settle an action or satisfy a judgement reasonably incurred in respect of any civil, criminal or administrative action or proceeding to which the Employee is made a party by reason of his or her having served as a director of such organization, subject to the limitations of applicable law. In addition, an Employee who serves at Suncor's written request as a director or trustee of an outside organization may, depending on the circumstances, be provided certain coverage under Suncor's Directors' and Officers' Liability Insurance Policy.

Where an Employee serves on a non-profit organization, Suncor may consider the Employee eligible for coverage under Suncor's Directors' and Officers' Liability Plan. Application forms and details of specific requirements must be obtained from the Director, Insurance. Insurance coverage must not be assumed; it is only considered effective upon written confirmation from the Director, Insurance. Once covered, the Employee must notify the Director, Insurance of changes in the Employee's role or position with the outside organization.

## 7. EXPENSES, COMMITMENTS AND FUNDING

Unless specifically requested by Suncor to serve, no expenses incurred by an Employee serving as a director, officer or trustee will be incurred or paid by Suncor. The Employee may accept and retain annual fees, meeting fees, other remuneration or reimbursed expenses specifically related to such services as director, officer or trustee.

Employees participating in the governance or fund-raising activities of non-profit organizations should clarify with their manager what commitment and spending authority they may be given relating to Suncor support or sponsorship of the organization (either in funds, time or use of Suncor's facilities and equipment).

Those participating in non-profit organizations have no commitment authority from Suncor relating to donations, and should not assume financial support will be forthcoming. However, in the right circumstances, financial support may be made available from the Suncor Energy Foundation. Therefore, Employees involved in charitable organizations must disclose such relationship to the Director, Stakeholder Relations and Community Investments, and discuss the granting criteria under which the Foundation operates, and the process for applying for funding.

## EXCEPTIONS

This PG&S does not apply to members of the board of directors of Suncor who are not also Employees. Suncor's board of directors maintains its own policies and procedures relating to the subject matter of this PG&S. The pre-approval requirements of this PG&S do not apply to independent contractors of Suncor Energy Inc. For certainty, however, such requirements are applicable to contract/term employees. Individuals who are paid through Suncor's payroll system and subject to source withholding of income tax, CPP and other similar employer withholdings are not independent contractors.

## REFERENCES TO RELATED DOCUMENTS

*Conflict of Interest and Confidentiality PG&S*

*Standards of Business Conduct Compliance Program*

*Suncor Energy Foundation section of the Suncor Energy website*