



Canadian Boreal Initiative Boreal Forest Conservation Framework 2009 Annual Action Plan

Suncor Energy Inc.

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Boreal Forest Conservation Framework

The Annual Action Plan is a high level summary of actions that signatories to the Boreal Forest Conservation Framework commit to undertake in support of fulfilling the shared vision to sustain the ecological and cultural integrity of the Canadian boreal region, in perpetuity. It is meant to help identify strategic milestones along the way to the vision.

The action plan outlines how a signatory to the Boreal Forest Conservation Framework commits to show leadership to support the framework through a range of both individual and collaborative actions for the next year.

Suncor's Boreal Forest Strategy

Suncor Energy Inc. is an integrated energy company strategically focused on developing one of the world's largest petroleum basins – Canada's Athabasca oil sands. Headquartered in Calgary, Alberta, Suncor has approximately 6,500 employees. Our core oil sands business is supported by natural gas production in Western Canada and downstream refining, marketing and retail operations in Ontario and Colorado. Suncor is also a leader in renewable energy development with four wind farms and an ethanol production facility.

Suncor's oil sands operations and most of our natural gas activities occur within Canada's boreal forest region. Because of the ecological importance and sensitivity of this region, Suncor has adopted a Boreal Forest Action Plan to ensure we operate responsibly and in accordance with Suncor's longstanding vision of sustainable development. The plan recognizes the need to balance areas of development with specifically protected areas and conservation zones. It also commits us to minimizing our environmental footprint by following best land management practices.

Commitment to the Boreal Forest Conservation Framework

Suncor is a member of the Canadian Boreal Initiative (CBI) and has signed on to the Boreal Forest Conservation Framework, which supports a shared vision of combining responsible resource development with efforts to maintain the ecological and cultural integrity of the Canadian boreal forest region.

This framework commits participants to:

- protect at least 50% of the region in a network of large interconnected protected areas
- support sustainable communities, world-leading ecosystem-based resource management practices and state-of-the-art stewardship practices in the remaining landscape

Boreal Forest Impacts

Suncor's land impacts are primarily the result of clearing to enable crude oil and natural gas exploration and production. These activities include oil sands mining, seismic exploration, in situ extraction and natural gas well sites and their associated infrastructure. Reclamation and restoration activities mitigate land impacts associated with our operations.

Suncor's activities in the boreal forest mean we operate in habitat that supports a vast number of flora and fauna including, but not limited to, grizzly bears, caribou, deer, wolves, lynx, wolverines, ducks, bats and thousands of bird species.

Strategic Focus Areas and Priorities

Suncor's focus areas and priorities for 2009 are:

- Regional Collaboration
- Environmental Research and Monitoring
- Land Conservation
- Reporting Our Progress

1. Regional Collaboration

Suncor shares information with our stakeholders and seeks their input to ensure we are responsibly managing our activities in the boreal forest.

- *Industry collaboration:* Suncor works with other boreal forest users to share infrastructure and best practices. An example is the agreement we have with Canadian Forest Products Ltd. to integrate planning and operations in a 650,000 hectare area in northwestern Alberta. Areas of collaboration include resource management, emergency planning, sharing of resource data and road and bridge construction.
- *Aboriginal knowledge and participation:* Suncor is committed to seeking traditional environmental knowledge from our Aboriginal stakeholders and incorporating what we learn into our project planning and reclamation activities. Suncor also works to build long-term relationships with our Aboriginal stakeholders and to ensure Aboriginal communities share in our economic successes by creating business partnerships and employment opportunities.
- *Regulatory Agencies:* Suncor works with regulatory agencies to provide baseline information and understanding that regulatory agencies use in the development of new regulations and guidelines. In 2009, Suncor will work with regulators on:
 - implementation of the Alberta Land Use Framework
 - initiation of the Athabasca River Watershed Planning and Advisory Council
 - the Northeast B.C. Energy Mines Advisory Group

- *Regional multi-stakeholder forums in the oil sands region:* Suncor maintains leadership roles in all regional multi-stakeholder groups including the Regional Aquatics Monitoring Program, the Wood Buffalo Environmental Association and the Cumulative Environmental Management Association (CEMA).
- *Policy innovation:* In 1994, Suncor helped found the Clean Air Strategic Alliance (CASA) as a new way to manage air quality issues in Alberta. CASA is a multi-stakeholder organization that brings together industry, government and non-governmental representatives and acts as an advisory committee to the Government of Alberta. Suncor played an equally innovative role in a pilot project that ultimately led to the establishment of the Alberta Biodiversity Monitoring Institute (ABMI). The ABMI conducts world-class monitoring of the changing state of Alberta's species, habitats and ecosystems. The goal of the ABMI is to support natural resource decision-making by providing relevant, timely and credible scientific knowledge on the state of provincial biodiversity. Suncor will continue to explore ways of supporting this type of environmental management organization in 2009.

2. Environmental Research and Monitoring

Suncor is an active participant in reclamation research and policy development, through our participation in the CEMA Reclamation Working Group (RWG) and the Canadian Oil Sands Network for Research and Development (CONRAD) Environmental Research Group, as well as with organizations such as Ducks Unlimited Canada.

- *CEMA RWG:* Develops reclamation guidelines and standards for oil sands operations based on CEMA research activities undertaken through many Canadian universities.
- *CONRAD:* Comprises several research groups including the Environmental Research Group (EnRG). The EnRG carries out reclamation research priorities in conjunction with the CEMA RWG. Many of the CONRAD EnRG research activities include field trials and monitoring plots.
- *Ducks Unlimited Canada:* Suncor and the Suncor Energy Foundation are also working with Ducks Unlimited Canada to develop and provide information on the health and value of wetlands, hydrology and watershed function. The aim is to identify potential impacts that need to be addressed and the best means of doing so.
- *Caribou:* Suncor and ConocoPhillips will invest up to \$1.5 million in caribou habitat and population initiatives in the Little Smoky region of west central Alberta. Activities including restoration of old seismic lines and access roads were implemented in 2006; monitoring and research continue. These linear disturbances have enabled increased human encroachment in the area and may make it easier for wolves and other predators to access the caribou.

Suncor is actively working with our stakeholders, including our industry peers, the forestry industry, the Alberta Caribou Committee and the Alberta government, to help develop a long-term strategy for this important herd. We are also supporting efforts to develop land use guidelines for the area that consider both habitat protection and responsible resource development.

In 2009, Suncor will continue to play a leadership role in these activities as well as provide technical support and funding.

3. Land Conservation

Suncor invests in a number of innovative projects to conserve and restore ecologically sensitive areas of the boreal forest. We also take several precautionary steps to minimize land disturbance and participate in projects and research aimed at offsetting the impact of our operations

- *Conservation projects:* Since 2005, the Suncor Energy Foundation invested more than \$1 million in the Alberta Conservation Association (ACA) to establish the Boreal Habitat Conservation Initiative. Much of the conserved land is due to be transferred to the provincial park system. In 2008, Suncor announced a further commitment of \$1.5 million to the ACA for the period 2008-20011 to protect additional lands.
- *Project planning:* Boreal forest and biodiversity conservation starts with careful pre-construction planning to identify sensitive and ecologically important areas and avoid them wherever possible. In all of our activities, we look for ways to limit habitat loss and fragmentation – examples include the use of low impact seismic, multi-well pads, integration of our footprint with other users and progressive reclamation of our leases.
- *Providing offsets:* Suncor believes that, in some cases, it makes sense to try to offset the impact of development. We have already piloted two such offset projects in Alberta— the Boreal Forest Conservation Initiative in northwest Alberta and the Little Smoky Caribou Range Restoration project in the province's west central area. In both cases, we restored land that we had not actually disturbed to offset disturbances in other areas. This is an additional restoration as Suncor reclaims all lands that we disturb. Suncor will be evaluating further offset opportunities in 2009.

4. Reporting Our Progress

Suncor reports our progress annually through a number of regulatory and voluntary channels. Our biennial Sustainability Report charts progress on reclamation, land disturbance and investments in environmental projects. Suncor's next report on sustainability will be released in 2009. The latest report can be found at www.suncor.com.

Suncor's Climate Change Action Plan, first adopted in 1997, sets out a seven-point strategy for managing greenhouse gas emissions. Energy efficiency improvements and investing in the development of renewable sources of energy are part of the mandate. Our latest progress report on climate change can be found at www.suncor.com/climatechange.

As part of its regulatory approvals, Suncor also reports monthly and annually to regulatory agencies to provide information on our operational performance.