



Imperial Oil

Corporate Social Responsibility



National Standards System Conference

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This presentation includes forward looking statements. Actual future conditions (including economic conditions, energy demand, and energy supply) could differ materially due to changes in technology, the development of new supply sources, political events, demographic changes and other factors discussed herein. This material is not to be reproduced without the permission of Imperial Oil Limited.

Outline

- Broad scope of social responsibility
- Canadian industry perspectives on social responsibility (SR) and ISO 26000
- Imperial Oil approach to CSR
- Imperial Oil illustrations



ISO 26000 – SR Core Content

- Organizational governance
- Environment
- Human rights
- Labour practices
- Fair operating practices
- Consumer issues
- Community involvement/society development

Industry Perspectives - CSR

- **Wide variation in understanding what SR means**
 - Early stage in understanding, depth is limited
 - Interest in continuing to learn
- **View SR as a shared responsibility**
 - Businesses, governments, NGOs all have duty to act responsibly
- **Wide variation to which organizations have:**
 - Integrated SR concepts into policies/processes
 - Actions being taken

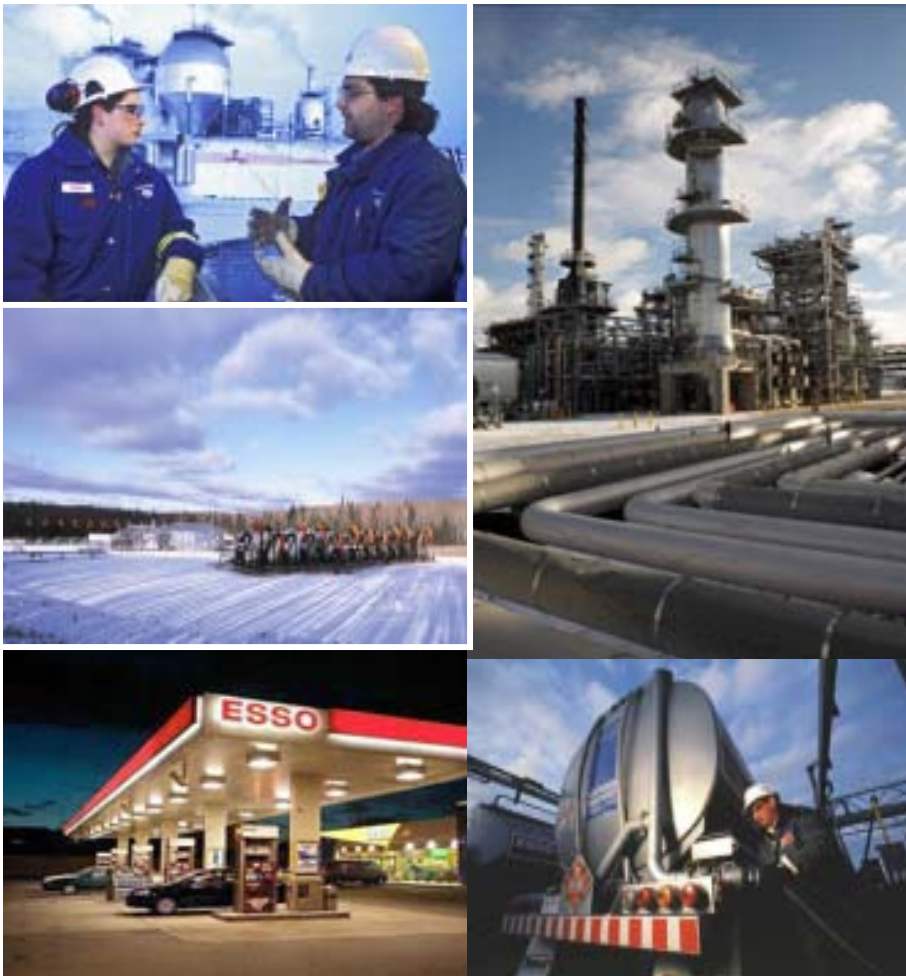


Industry Perspectives – ISO 26000

- Operating in a responsible manner applies to all organizations
- Reinforce compliance with country laws, legal commitments and governance requirements
- Remain as a 'guidance standard'; provide flexibility in use
- Integrate into existing processes
- Be concise, easy to understand and use
- Challenge for Small Medium Enterprises (SMEs)

Imperial Oil Limited

A leader for over 125 years, focused on the future



- Integrated petroleum company
- Net proved reserves* - 1.5 GBOE
- Net non-proved resource – 12 GBOE
- Upstream production – 351 KBOED
- Major oil sands producer – 230 KBD
- Leading refiner and marketer
- Integrated chemicals business

* After royalties and before year-end price/cost revisions, 2007



Imperial Oil's Approach to CSR

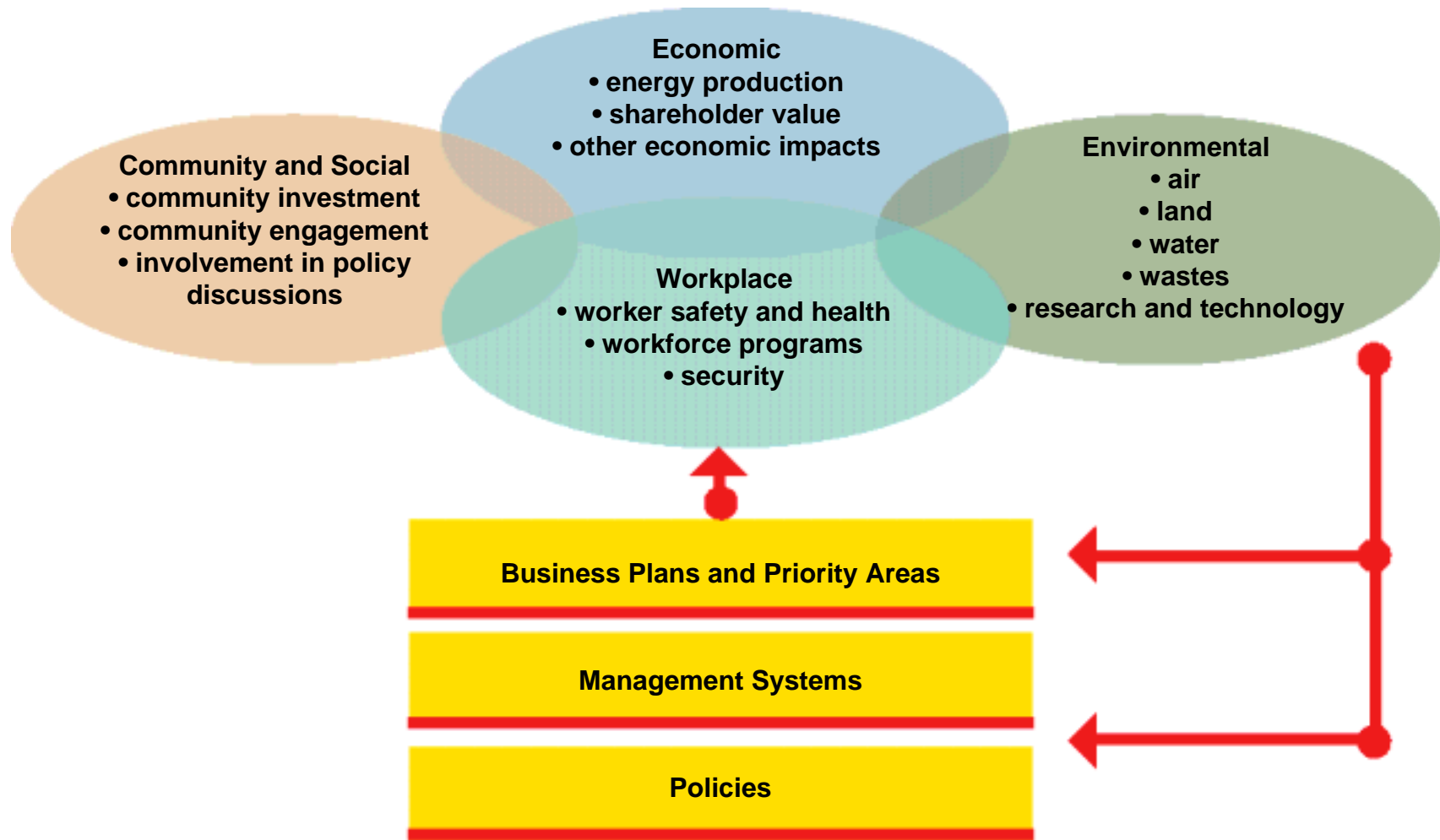
Imperial uses the term 'corporate citizenship':

- Meeting growing demands for energy in an economically, environmentally and socially responsible manner
- Strong emphasis on minimizing our impact on the environment, creating a safe, healthy and supportive workplace, and working with communities to address local needs and create long-term benefits.
- Embedded in company values, policies, standards and processes

Imperial Oil Illustrations

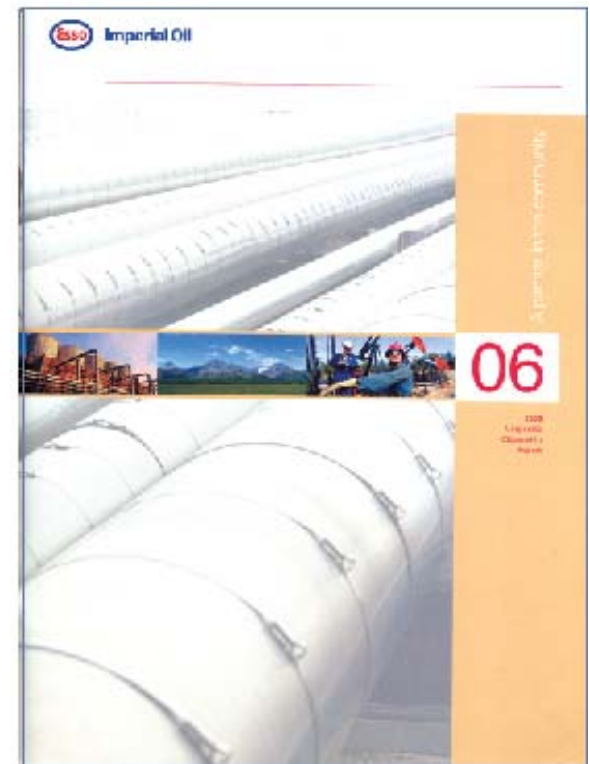
- How we manage the business
- Governance and integrity
- Environmental business planning
- Community engagement
- Managing risks of climate change

How We Manage the Business

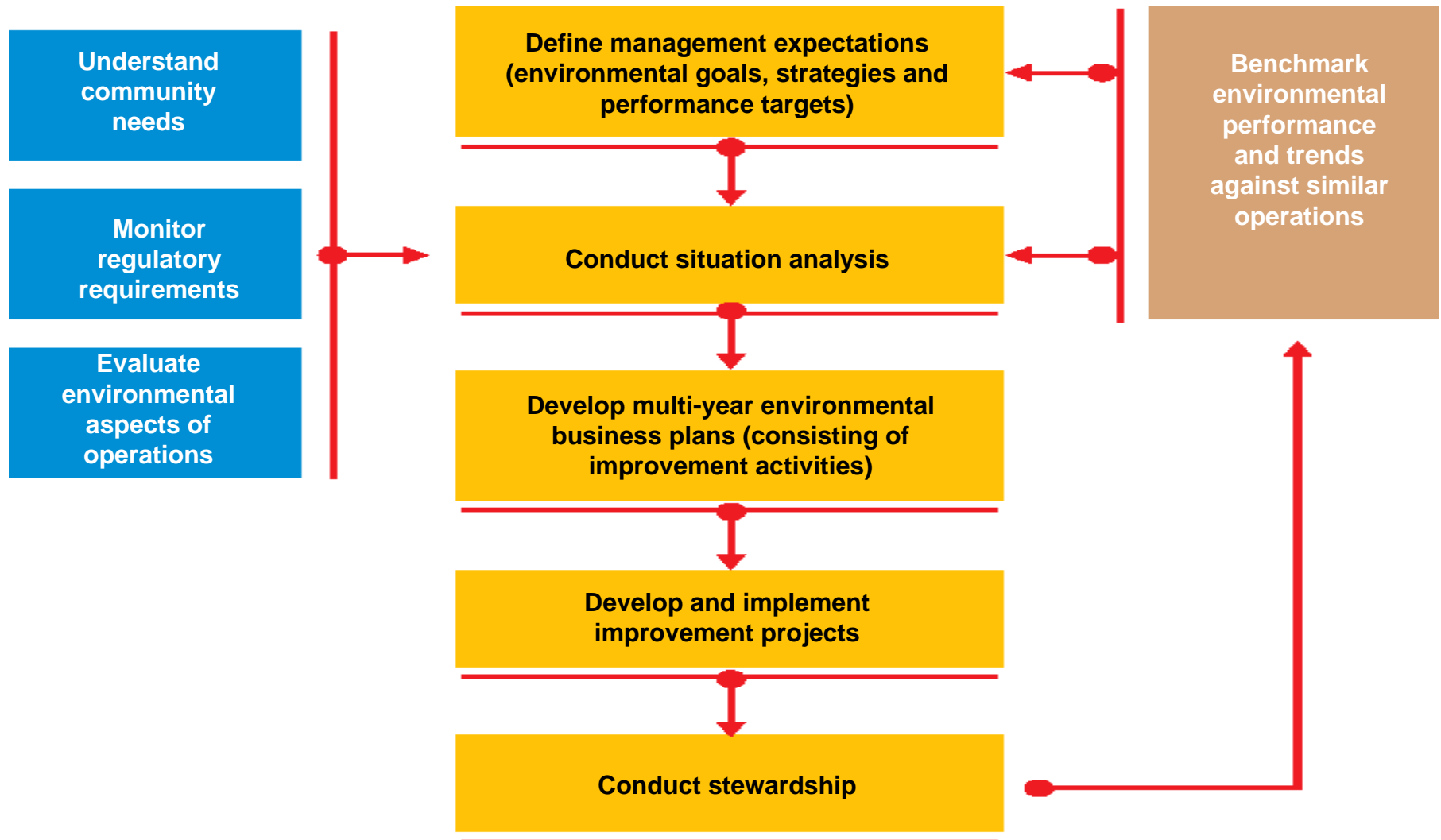


Governance and Integrity

- **“Our Standards of Business Conduct”**
 - Policies and standards
- **Board of Directors Committees**
 - Audit; Corporate Governance; EH&S
- **Management Systems – roadmap to meet policies**
 - Meets ISO 14001; OHSAS 18001
 - Chemicals Industry Responsible Care®
- **Public reporting – Corporate Citizenship Report**
 - Meets IPIECA / API reporting guidelines
 - Mapped to GRI



Environmental Business Planning





Environmental Goals

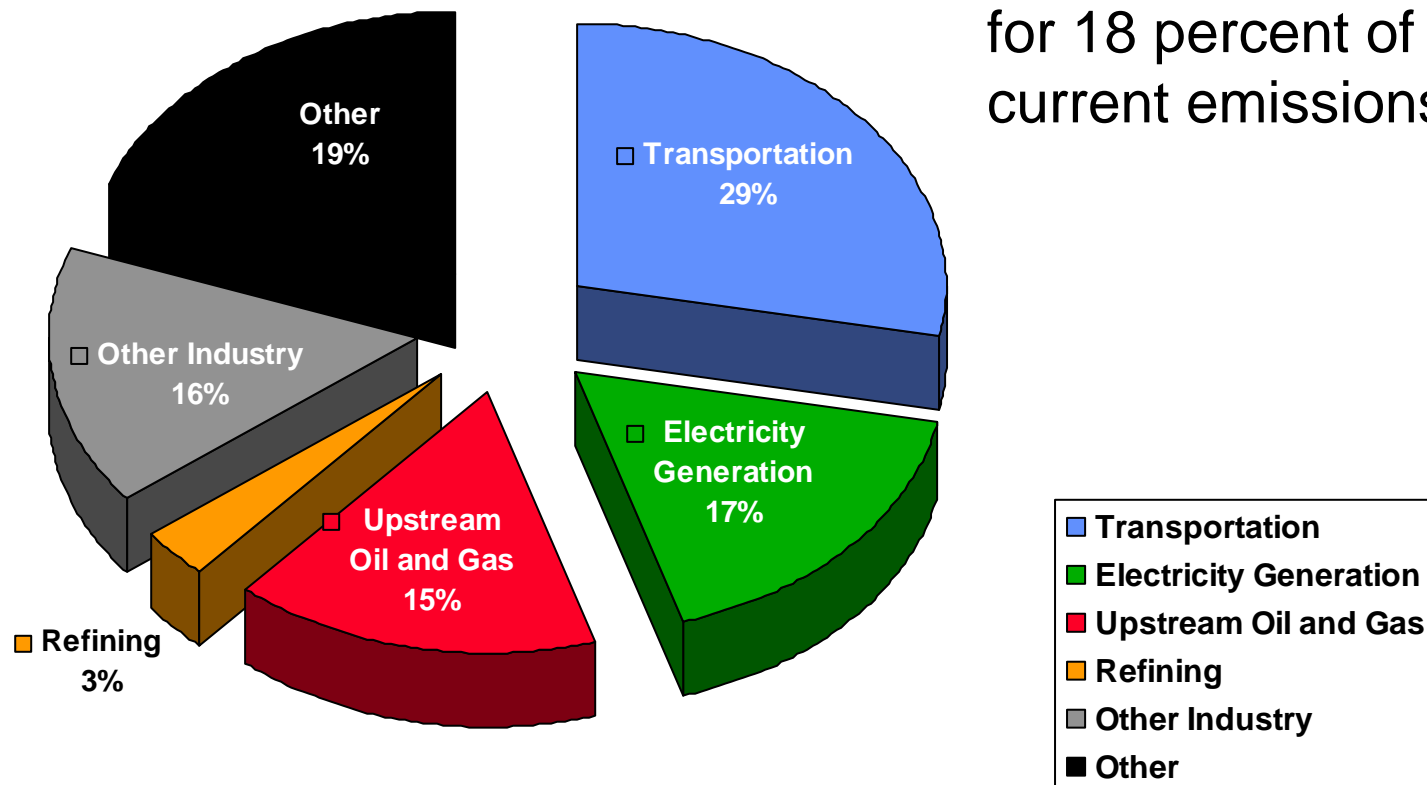
- Goal – **Protect Tomorrow. Today.**
- Strategic focus improvement areas – investing \$1.2 billion over five years
 - further leadership training
 - investments to reduce emissions to air
 - continue reducing incidents and spills
 - reliability improvement
 - continue reducing water use
 - gains in energy efficiency



Community Engagement - Project Lifecycle

- **Pre-construction**
 - Community consultation, traditional knowledge studies
 - Open houses
 - Local sourcing, benefits agreements
 - Selective infrastructure enhancements, particularly education
 - Public (regulatory) hearings
- **Post-startup**
 - Community-industry partnerships
 - Open houses
 - Routine neighbour-reports (hard copy, electronic)
- **Post-operation**
 - Reclamation to achieve productive land use

Canada's GHG Emissions Sources



- Oil industry responsible for 18 percent of Canada's current emissions

Managing Risks of Climate Change

- **Long-term objective:**
 - Reduce risk of serious impacts at reasonable cost to society
- **Near-term objectives:**
 - Promote energy efficiency
 - Promote deployment of existing technologies that reduce GHG emissions
 - Support research and development of low-GHG technologies
 - Support climate research to reduce uncertainties and pace response

Closing Comments on SR

- Very broad subject; wide variation in cultural realities and legal environments
 - flexibility in application needed
- Long-term effectiveness, best through integration
- Operating in a responsible manner applies to all of society

