



# Task Force on Climate-Related Financial Disclosure Report & 2020 Sustainability Performance Data Update

2021



DELIVERING ENERGY  
RESPONSIBLY



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TOGETHER



OPERATING WITH  
EXCELLENCE

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# Executive Summary



At Gibson Energy Inc. (Gibson), we recognize our role in shaping a better tomorrow by being responsible stewards of the environment and engaged members of the communities where we live and work.

We are committed to continue embedding sustainability across our organization to foster innovative initiatives that generate long-term value for our key stakeholders, including our investors, employees, communities, customers and suppliers.

Gibson acknowledges the energy transition is underway and we are committed to acting now to secure a more sustainable future for our company and for society as a whole.

Our inaugural Task Force on Climate-Related Financial Disclosures (TCFD) report further demonstrates how we view sustainability and Environmental, Social and Governance (ESG) as a strategic priority and aim to retain our position as a responsible leader in the energy industry.

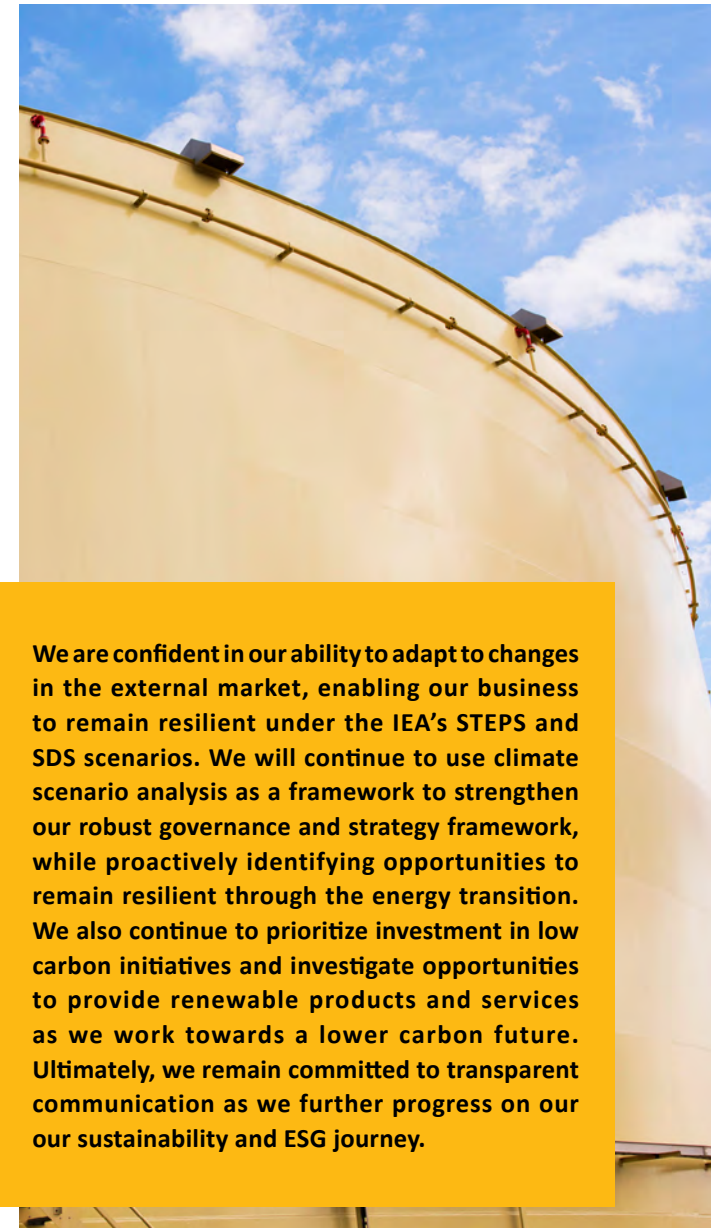
While this is Gibson's first report aligning with the recommendations made by the TCFD, it is not our first report addressing climate-related issues. In our 2020 and 2021 CDP Climate Change Questionnaire submissions, we deliberately focused on how climate-related opportunities and risks can impact our business in the short, medium and long-term. This TCFD report provides more detail on how we view these opportunities and risks for our business in the context of evolving energy systems.

This report uses two climate scenarios developed by the International Energy Agency's (IEA) World Energy Outlook – the Stated Policies Scenario (STEPS) and the Sustainable Development Scenario (SDS). We applied these scenarios to all areas of our business to evaluate the resilience of our strategy, and, where appropriate, we used the STEPS as the base case scenario and the SDS to stress test our asset base and strategy.

The results of our scenario analysis work have allowed us to further strengthen our governance and

overall business strategy specific to climate-related opportunities and risks:

- We have gained a better understanding of how different climate scenarios may impact our assets and we have incorporated resiliency plans into our strategy to mitigate any long-term risks and seize opportunities as they materialize.
- We have identified how our world-class asset base can benefit from the energy transition, including by supporting the changing needs of our customers. For example, in early 2021, we announced our Biofuels Blending Project with Suncor, which includes an expansion at our Edmonton Terminal to support the blending and loading of third-party biofuels.
- We are also creating, updating and reviewing climate signposts<sup>(1)</sup> for horizon scanning of changes in climate-related regulation, technology and consumer demand. These signposts support our process in identifying which aspects of the scenarios are unfolding or becoming more likely as well as the potential opportunities and risks they represent.



**We are confident in our ability to adapt to changes in the external market, enabling our business to remain resilient under the IEA's STEPS and SDS scenarios. We will continue to use climate scenario analysis as a framework to strengthen our robust governance and strategy framework, while proactively identifying opportunities to remain resilient through the energy transition. We also continue to prioritize investment in low carbon initiatives and investigate opportunities to provide renewable products and services as we work towards a lower carbon future. Ultimately, we remain committed to transparent communication as we further progress on our our sustainability and ESG journey.**

<sup>(1)</sup> Climate signposts is an internal term used in the Gibson TCFD report to indicate the potential changes related to a risk or opportunity. For example, signposts are external factors which could trigger the risk or opportunity to move from a medium to long-term consideration to a short-term consideration.

# Executive Summary



## TCFD Overview

In 2016, the Financial Stability Board established the TCFD to determine key information required by a company's stakeholders to appropriately assess climate-related opportunities and risks. As part of its mandate, the TCFD created recommendations to address the need for more consistent financial disclosures in corporate sustainability reporting. Although voluntary, these disclosures enable organizations to be more transparent and disclose to stakeholders how they identify, assess and manage climate-related opportunities and risks, as part of their overall business strategy.

The TCFD structured its recommendations into four main categories: (1) Governance, (2) Strategy, (3) Risk Management, and (4) Metrics and Targets. These four categories are supported by the recommended disclosures, creating a foundational framework to help stakeholders understand how organizations manage climate-related opportunities and risks today and into the future.





# About this Report



## SCOPE

The scope of information outlined in this report relates to all our current and planned operations in Canada and the United States (U.S.), unless otherwise specified.



## REPORTING STANDARDS

We developed the content of this report to conform with the TCFD recommendations. Appendices setting out our report's alignment to the TCFD framework can be found on page 37 of this report. Our Sustainability and ESG Performance Data on pages 38 to 48 were guided by the Sustainability Accounting Standards Board (SASB) standards for the Midstream and Refining & Marketing industries and the Global Reporting Initiative (GRI) Core option.



## ASSURANCE

In 2020, we obtained third-party verification of the Scope 1, 2 and 3 emissions of all our Canadian and U.S. operations from Brightspot Climate. The verification of our Scope 1 and 2 emissions was conducted to a reasonable level of assurance, and Scope 3 to a limited level of assurance, in accordance with The Management and Reduction of Greenhouse Gases (Baselines, Returns and Verification) Standard and the ISO 14064-3 Greenhouse Gases – Part 3: Specification with Guidance for the Verification and Validation of Greenhouse Gas Statements. We will continue to conduct third-party assurance to ensure the quality and accuracy of our data and reporting.



# Letter from the Chairman of the Board and President & Chief Executive Officer



**Gibson believes the energy transition requires action from all companies across all sectors. As a leader in sustainability and ESG, Gibson has committed to being transparent about our climate-related opportunities and risks and their potential impact on our business strategy. Transparency is the foundation of our sustainability and ESG journey which is why we are pleased to confirm our support for the TCFD's recommendations. We look forward to continue to enhance our reporting in-line with the recommendations, and to further contribute to transitioning to a lower carbon future.**



**JAMES M. ESTEY**  
Chairman of the Board

**STEVEN R. SPAULDING**  
President & Chief  
Executive Officer

We are excited to share with you Gibson's inaugural TCFD report, including an update of our sustainability and ESG performance data, which was first shared in May 2020. Throughout 2020, we witnessed and experienced some of the most significant challenges to our industry, including historic declines in crude oil prices and adjusting to the impacts of the COVID-19 pandemic. However, resiliency is at the very core of our business, and we have taken significant steps to ensure Gibson will continue to meet the expectations of all our stakeholders on a broad suite of sustainability and ESG topics and other important issues.

Since our first Sustainability Report was released in 2020, the world continues to balance the serious challenge of meeting growing global energy demand safely and responsibly, while simultaneously pursuing opportunities to support a

comprehensive transition to a clean, low carbon energy system.

As a leader in the midstream energy space, we have a responsibility to address climate change and help keep average global temperatures from rising 2°C above pre-industrial levels, which is why we are pleased to announce our commitment to achieving net zero Scope 1 and 2 greenhouse gas (GHG) emissions across our business, by 2050.

While we maintain one of the lowest GHG footprints among our peers, we know we must do our part to help address climate change and help keep average global temperatures from rising. It is why we continue to embed sustainability and ESG factors throughout our business, as well as identify ways we can support the energy transition with our world-class asset base.

We recognize our role in finding new ways to sustainably meet the global

energy demand, while ensuring low carbon and ESG-leading Canadian energy is part of the solution. Our net zero commitment is supported by our long-term business strategy and our previously announced interim 2025 and 2030 targets to reduce our GHG emissions both on an absolute and intensity basis.

Our ESG and net zero commitments also support the Government of Canada's net zero ambitions, align with the recently announced Oil Sands Pathways to Net Zero initiative and ensure we support the transition to a lower carbon future.

# Letter from the Chairman of the Board and President & Chief Executive Officer



We believe that through continuous improvement of our operations, strategic investment in technology and innovation, expansion of our low carbon products and services and proactive collaboration with government, industry partners, suppliers and customers, Gibson will be well positioned to deliver meaningful emissions reductions and remain a strong economic leader in sustainable energy.

While the COVID-19 pandemic has created an unprecedented set of challenges, we continue to reliably and safely provide an essential service

across North America. We know our customers, the communities in which we operate and the whole network we are connected to rely on us as an energy provider. Therefore, we continue to ensure that we remain well-positioned to navigate industry changes due to COVID-19. Our business is resilient, and we continue to deliver valuable services to our customers and stakeholders.

As the pandemic continues to evolve, Gibson is dedicated to continuing to uphold the health and well-being of our employees and stakeholders.

**We have taken the extra steps to support our communities during this unprecedented time by giving back through various initiatives throughout 2020, including:**

- **Pledging a \$1 million donation through a five-year partnership with Trellis as their Youth Mental Health Champion to provide mental health support to youth**
- **Raising over \$420,000 through our employee giving program, Gibson GIVES**
- **Safely volunteering more than 4,000 hours in communities where our employees live and work, despite the COVID-19 pandemic**
- **Announcing an ongoing commitment to contribute a minimum of \$1 million annually to the communities where we live and operate through our employee giving and community investment program**
- **Receiving the 2020 Calgary Chamber of Commerce ATB Financial Community Impact Award**
- **Increasing access to mental health services for our employees and their families from \$500 annually to \$2,000 annually going forward and providing virtual support options during these challenging times**



# Letter from the Chairman of the Board and President & Chief Executive Officer



Our executive leadership team and Board of Directors continue to remain steadfast, proactive and agile in our planning and response to the COVID-19 pandemic. The pandemic has taught us the importance of companies across the globe working together and taking actionable steps towards positive change, while upholding the health of people and our planet.

In 2020, we took a major step by announcing our ESG targets. Through setting and working towards these targets, we can strengthen our business by attracting a greater and more diverse pool of talent, broader and more cost-effective capital, more sustainable service providers and a broader customer base. We are committed to approaching sustainability and ESG in a meaningful way, with clear and strategically aligned initiatives. Our goals are ambitious; however, we conducted the necessary due

diligence and believe they are actionable and attainable by their respective target dates.

We made many strides in our sustainability and ESG journey, which was reflected in an A- score on our inaugural CDP Climate Change questionnaire as well as an AAA ESG Rating from MSCI. We also received strong ratings from other major ESG data providers, holding the highest average ranking from a combination of Bloomberg, MSCI and Sustainalytics, relative to our most comparable peers. Based on our strong ESG performance, in 2021 we were added to the S&P/TSX Composite ESG Index as well as the Sustainalytics Jantzi Social Index. Building on this success, we are proud to be the first public energy company in North America to transition our \$750 million principal credit facility to a sustainability-linked loan structure, whereby our future borrowing costs will increase or

decrease based on whether we meet certain sustainability and ESG targets.

While this TCFD report focuses primarily on our Environmental and Governance efforts, we take great pride in our Social initiatives. Although social topics are not part of the TCFD framework, we are proud of our achievements in this area and have included some highlights in this report. These topics can also be further explored in our 2019 Sustainability Report or on our website at [www.gibsonenergy.com](http://www.gibsonenergy.com). An update to our ESG performance data metrics originally shared in our 2019 Sustainability Report were guided by the SASB standards for both the Midstream and Refining & Marketing industries as well as the GRI Core reporting principles, which can be found on pages 38-48 of this report. In an effort to positively contribute to some of society's most important economic, social and environmental challenges,

Gibson also takes into consideration the United Nations Sustainable Development Goals (UN SDGs).

As we progress on our sustainability and ESG journey we look forward to continue demonstrating our leadership as a safe and responsible midstream energy company. Going forward, we plan to further expand Gibson's sustainability and ESG strategy to support the strength and growth of our efforts. We will remain focused on reducing greenhouse gas emissions, which are the lowest among our peers, expanding our diversity and inclusion strategy and investing in the communities where we live and work. Finally, we look forward to continuing to evolve our business strategy to support the energy transition and our net zero commitment.



**JAMES M. ESTEY**  
Chairman of  
the Board



**STEVEN R. SPAULDING**  
President &  
Chief Executive  
Officer



# Introduction



## About Gibson

Gibson is a Canadian-based liquids infrastructure company focused on delivering energy in an environmentally and socially responsible manner. Headquartered in Calgary, Alberta, our principal businesses consist of the storage, optimization, processing and gathering of crude oil and refined products. Gibson's operations are centered around our core terminal assets in Hardisty and Edmonton, Alberta, our Moose Jaw Facility in Saskatchewan and an infrastructure position in Texas, U.S.

For over 65 years, Gibson has delivered infrastructure and midstream solutions to customers in the energy industry safely and reliably. We provide best-in-class connectivity between energy producers and the markets we serve through our infrastructure

and marketing segments, with a focus on creating valuable market access solutions for our customers. Our infrastructure network includes strategically located oil terminals, a crude oil processing facility, crude oil gathering pipelines and our Hardisty Energy Terminal – the first Diluent Recovery Unit (DRU) in Western Canada. Further, our marketing segment provides a full suite of services to oil producers and other industry participants.

We touch one in every four barrels produced in Western Canada, with nearly 15 million barrels of storage and nearly 600 km of crude pipelines throughout our operations. Utilizing this asset base, along with our dedicated and talented employees, we create value for our customers, while generating stable long-term cash flow.

We are guided by our core organizational values of contributing and adding value every day, keeping our edge and being resilient, staying focused and open-minded and working together, as we connect energy and deliver on our business strategy safely and with integrity to ensure strong results for all of our stakeholders.

# The Journey



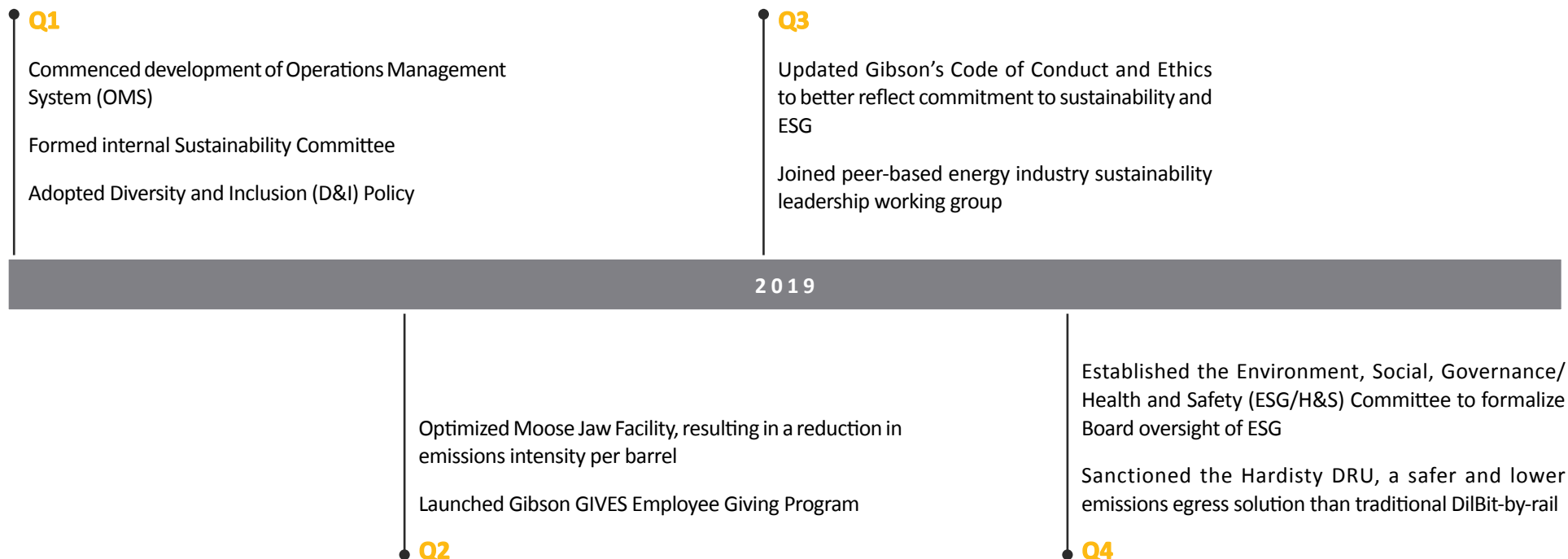
## Our Commitment to Sustainability

At Gibson, we view sustainability as a journey rather than a destination. We are excited to share our work to date and our roadmap for sustainability. We have developed a timeline of

our sustainability and ESG initiatives to measure the progress we have made and set ambitious goals for the future. It is imperative that all our initiatives reflect the TCFD's

recommendations so our goals align with our understanding of long-term climate-related opportunities and risks. We look forward to engaging with all our stakeholders

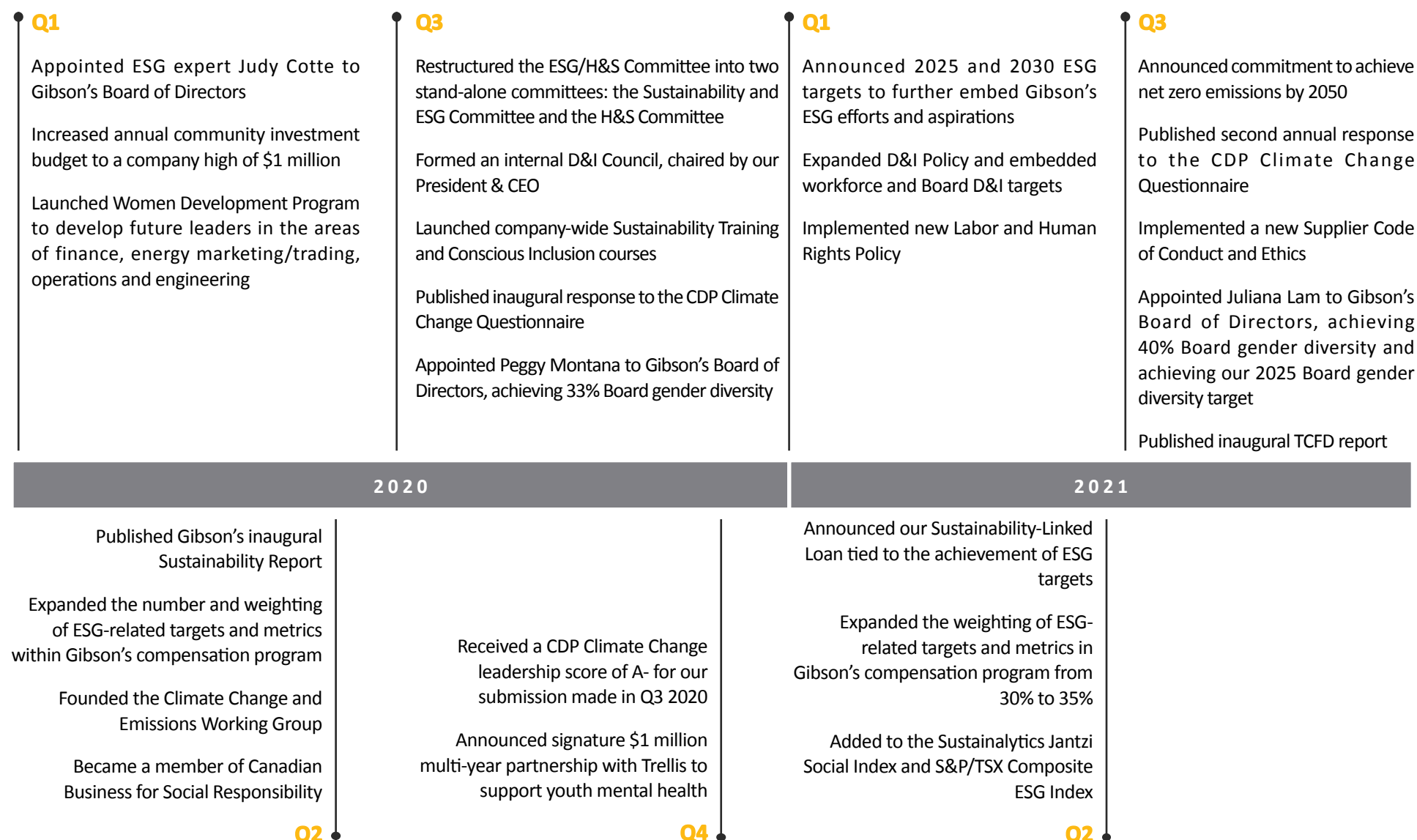
as we continue to develop future sustainability initiatives.



# The Journey

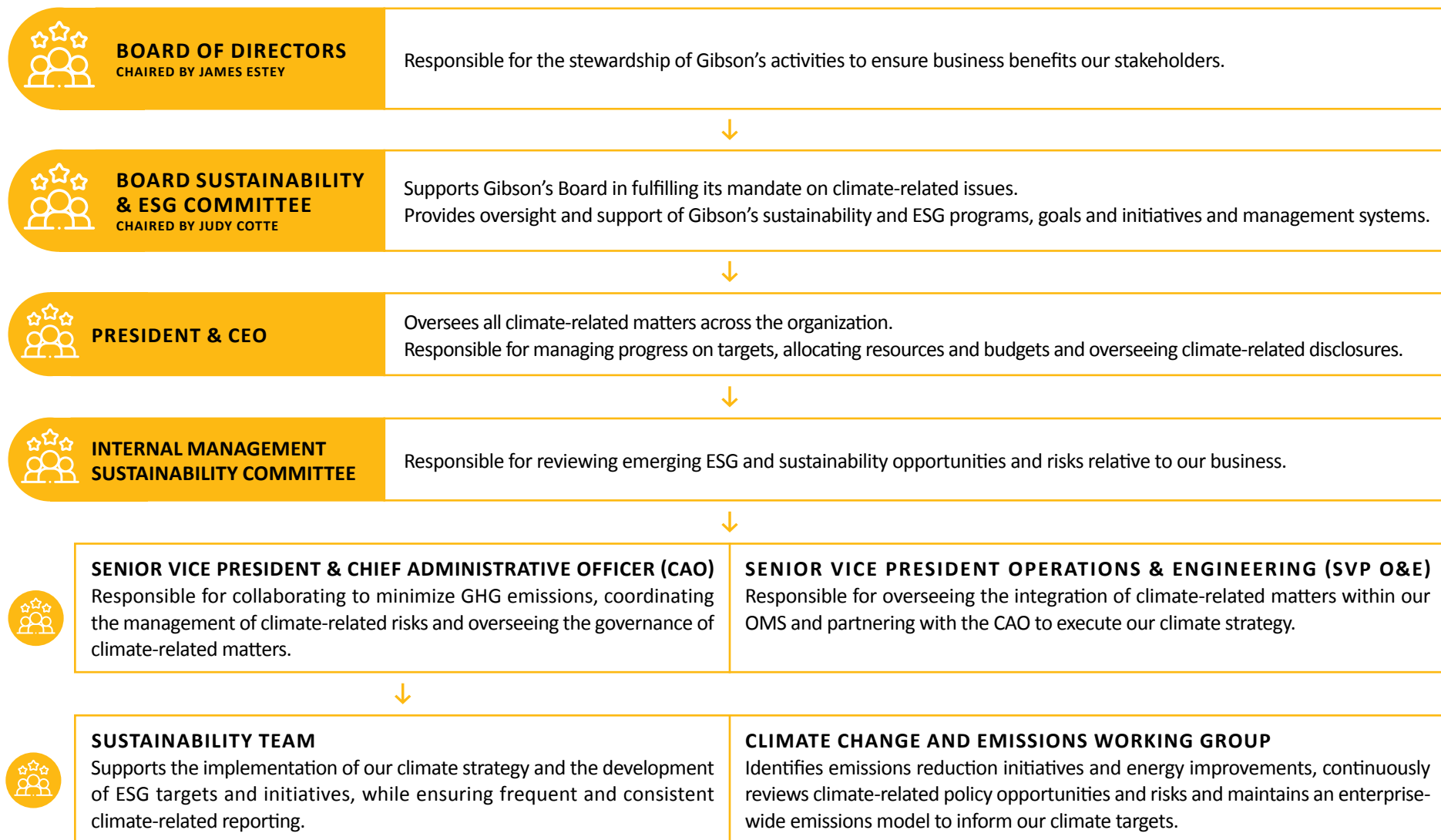


## Our Commitment to Sustainability





## Governance Hierarchy



# Governance



## Oversight by the Board of Directors

At Gibson we recognize that corporate governance is fundamental to the success of our business and instrumental in generating and capturing long-term value for stakeholders. We are committed to continue adopting effective and meaningful governance practices for all stakeholders, including creating and developing various committees of the Board.

As a result, the Board established a Sustainability and ESG Committee (the SESG Committee) in August 2020. Chaired by Judy Cotte, a recognized expert on ESG and responsible investment, the SESG Committee supports Gibson's Board in fulfilling its mandate on climate-related issues and regularly monitors management's progress on meeting ESG goals.

The SESG Committee is responsible for reviewing and recommending Board approval of Gibson's annual and long-term sustainability

goals, metrics and targets. The SESG Committee also evaluates the effectiveness of Gibson's sustainability performance to ensure compliance with all internal policies and applicable laws and regulations, with a focus on providing desirable outcomes for all stakeholders. Lastly, the SESG Committee is accountable for proactively overseeing emerging climate-related opportunities and risks which may have a potential impact on Gibson's reputation and business performance.

The SESG Committee continues to develop its climate-related knowledge by, among other things, actively participating in ESG conferences and seminars and engaging experts on topics, such as carbon pricing, climate risk management and climate-related regulations.



## Role of Senior Leadership

Gibson's President & CEO oversees all climate-related matters across the organization. As potential climate-related impacts to our business are complex and can affect the entire enterprise, we believe dedicated oversight from our CEO is critical to ensure opportunities and risks are identified and effectively managed. Our CEO is responsible for assessing and managing progress on short and long-term targets, allocating resources and budgets and overseeing climate-related disclosures on governance, strategy, management and performance.

Gibson's CAO is our Sustainability Lead. Our CAO is responsible for collaborating on efforts to minimize Gibson's GHG emissions, coordinating the management of climate-related opportunities and risks and developing climate-related disclosures. In addition, the CAO is responsible for overseeing the governance of climate-related matters, including developing climate-related strategies and leading the internal Sustainability Committee and Sustainability Team. Our Internal Management Sustainability Committee is made up

of Gibson's senior leadership team who is responsible for reviewing emerging sustainability and ESG opportunities and risks relative to our business. The Sustainability Team supports the implementation of our climate strategy and the development and pursuit of ESG targets and initiatives which align with our broader business strategy, while ensuring frequent and consistent climate-related reporting.

Gibson's SVP O&E is the lead for overseeing emissions, energy and efficiency studies and projects.

Our SVP O&E is responsible for overseeing the integration of climate-related matters within our OMS. This includes managing climate risks in our risk register, prioritizing emission and energy reduction projects and partnering with the CAO to execute Gibson's climate strategy as it relates to emissions management and ensuring Gibson's sustainability and ESG initiatives help support our business strategy.







## Climate Change and Emissions Working Group

Gibson's Climate Change and Emissions Working Group (CCEWG) is an internal multidisciplinary committee which provides strategic guidance on climate change and emissions issues. Our CCEWG is represented by several key functions, including operations and engineering, commercial, environment, health and safety (EH&S), supply chain, government relations, sustainability and tax. The CCEWG is responsible for supporting the maintenance of an enterprise-wide emissions model to inform Gibson's climate targets. To meet these targets, they work collaboratively to identify emissions

reduction initiatives and energy improvements at all assets and continuously review climate-related policy opportunities and risks. The General Manager of EH&S, who reports to the CAO, chairs the CCEWG.

The CCEWG also works collaboratively with our Sustainability Team. The team works cross-functionally to prioritize discussion of climate-related opportunities and risks at Gibson's monthly executive team, enterprise risk management and SESG Committee meetings.



## Climate Scenarios

We conducted climate-related scenario analysis using scenarios from the IEA's World Energy Outlook. The IEA's scenarios, including the STEPS for a business-as-usual case and the SDS as a 2°C case, were selected due to their focus on climate goals, as well as transition risks and physical risks relevant to Gibson's operations. These scenarios were developed for widespread use and understanding by many industries. We chose to use the IEA's scenarios to conduct our analysis because they are widely recognized as transparent and comparable across our sector, despite offering assumptions that may not accurately reflect how the future unfolds. The IEA's scenarios are also recommended by the TCFD and we believe they are useful tools to help us better understand the variety of potential

futures we face as a business and a society.

The scenario analysis process is used to identify and assess the potential implications arising from a range of possible future states under conditions of uncertainty. These scenarios are hypothetical constructs and not designed to deliver precise outcomes or forecasts. Instead, they provide a framework for organizations to collectively consider how the future could look if certain trends continue or certain conditions are met. In the case of climate change, these scenarios allow an organization like Gibson to further explore and understand how various combinations of climate-related risks (transition and physical risks) may affect our business units, strategies and financial performance over time.



## Climate Scenarios

### STATED POLICIES SCENARIO

The STEPS provides a detailed forecast of how existing climate action developments and policies would impact the energy sector until 2040. The STEPS also assumes the global economy will return to pre-pandemic levels in 2021, with global energy demand returning by 2023. As carbon dioxide (CO<sub>2</sub>) emissions rebound in 2021 and exceed pre-pandemic levels by 2027, the STEPS also assumes the goals of the Paris Agreement will not be achieved.

### SUSTAINABLE DEVELOPMENT SCENARIO

The SDS represents a major transformation of the global energy system, showing how the world can change course to adopt clean energy policies and achieve sustainable energy objectives. This scenario shows 2019 as the peak year for CO<sub>2</sub> emissions, with global oil production steadily decreasing by a third of what it was pre-pandemic in 2040. As a result, the SDS assumes the UN SDGs on energy access and air quality will be achieved by 2070. Further, the SDS assumes the Paris Agreement will be achieved by 2070, which has the objective of “holding the increase in the global average temperature to well below 2°C above pre-industrial levels.”

### SCENARIO ANALYSIS RESULTS

Both STEPS and SDS have a time horizon of 20 years (2020 to 2040), which allows for long-term planning on economic growth and the overall energy outlook. At Gibson, we performed financial modelling under these two scenarios, supplementary to our current three to ten-year risk planning process. The scenario analysis considered our Canadian and U.S. infrastructure assets, including pipelines, terminals and processing assets as well as our marketing segment. Our methods included engaging internal stakeholders via interviews with an external consultant, financial modelling and validating the results of our analysis to ensure we factored in multiple perspectives.

For each scenario, we considered Gibson’s advantageous position as a midstream company with strategically located operations required to facilitate the movement of crude oil out of Western Canada and long-term contracts with our customers. The results of these analyses allowed us to identify several climate-related opportunities and risks within our business.

While the STEPS suggests lower risk to Gibson’s current operations, the SDS, which assumes a faster rate of decarbonization, could have a more significant impact. Under the SDS there may be a risk of reduced demand for crude oil products and services as the scenario assumes there will be a decrease of investment in new oil sands and conventional oilfield development projects. In the short-term, a decrease in oil supply, often known as “throughput”, would not significantly impact Gibson as most of our existing contracts are structured on a longer-term take-or-pay basis with a minor proportion of revenues related to volume of product transported through our infrastructure. It is possible that if the SDS materializes, this may adversely impact the throughput at our storage and handling facilities over the medium to long-term and introduce challenges for this business segment if we are not able to retain or attract customers under long-term take-or-pay contracts or if there is downward pressure on rates for our services. Despite the potential for decreased oil supply in the future, we believe Gibson will remain in an advantageous position to evolve alongside the changing energy needs and the emergence of investment opportunities related to the energy transition will continue to positively influence our business strategy. For example, the increase in the efficiency and safety of transporting bitumen by rail was a positive driver for pursuing the construction of the DRU at our Hardisty Energy Terminal and the move towards renewable fuels is driving our construction of a facility to support the production and transportation of biofuels at our Edmonton Terminal. As we continue to pursue opportunities stemming from the energy



# Strategy



transition, we will remain prepared to address challenges related to future changes in oil supply. The inclusion of climate scenario analysis in our financial modelling has further informed our strategy and continues to guide our short-term, medium-term and long-term planning.

We believe our strategy is resilient under the IEA's climate scenarios and use scenario analysis as a framework to strengthen our governance and adjust our strategy as needed. We are also creating, updating and reviewing climate signposts for horizon scanning of changes in climate-related regulation, technology and consumer demand. These signposts support our process in identifying which aspects of the scenarios are unfolding as well as potential future opportunities and risks.



## Climate-Related Opportunities and Risks

### Transition Opportunities and Risks

We recognize our responsibility to deliver energy responsibly and enhance the resiliency of our company. We want to ensure Gibson continues to be well-positioned for the ongoing energy transition and solidify our role as a midstream leader in sustainability.

Climate-related opportunities and risks identified over the short, medium and long-term.

#### **SHORT-TERM**

Less than two years

#### **MEDIUM-TERM**

Within a range of two or five years

#### **LONG-TERM**

Five years or more, extending as far as 20 years depending on the nature of the opportunities or risk



#### **CURRENT REGULATION**

In Canada, current climate-related legislation exists that could directly or indirectly impact our business, including:

- The Government of Canada's Climate Plan, "A Healthy Environment and a Healthy Economy"
- The Clean Fuel Standard
- The Federal Carbon Pricing Backstop (Federal Backstop)
- Alberta's Technology Innovation and Emissions Reduction Regulation (TIER)
- Saskatchewan's Management and Reduction of Greenhouse Gases Regulations (MRGGR)

Although none of our Alberta facilities are considered large emitters under the TIER program, if we did not participate in these provincial programs or if any substantial changes occur to the existing programs, it could expose Gibson to the carbon tax pursuant to the Federal Backstop, which would increase operating expenses. While Gibson is also regulated by MRGGR legislation, we have proactively set a Scope 1 and 2 absolute emissions reduction target for Moose Jaw in addition to several company-wide and activity-specific emissions reduction targets, surpassing regulatory requirements that apply to our Moose Jaw Facility.

We align our internal carbon pricing with the Government of Canada's Climate Plan and our long-term commitment to achieve net zero emissions in our operations supports the Government's goal for Canada to reach net zero emissions by 2050.

## Climate-Related Opportunities and Risks



### EMERGING REGULATION

Compliance with climate change legislation requires significant expenditures and could potentially impact the nature of oil and gas operations, including those of our customers. As regulations change, they may also impact the future demand of oil and refined products and impact our business.

One risk related to emerging regulation is an increase in operating costs due to carbon pricing mechanisms. Carbon taxation and levies have been recently introduced, modified and updated throughout Canada.

This includes the implementation of the carbon tax, the development of the Clean Fuel Standard and changing regulations regarding the Federal Backstop. Due to the recent Supreme Court of Canada decision upholding the national carbon tax, we foresee changes to the regulatory landscape such as higher carbon pricing, increased energy efficiency standards, energy and emissions reduction targets and promotion of alternative fuel technologies.

To mitigate this risk, Gibson continues to monitor potential regulations

related to GHG emissions, reporting and pricing through our CCEWG. Our emissions reduction targets help us meet and exceed any current regulatory obligations and allow us to consider the potential future impacts we face when designing new projects.

Additionally, Gibson is proactively working alongside governments to understand the development and implementation of these policies to continue ensuring our business is resilient in the face of changing legislation. To deliver on this, we

have an internal Government Relations team and also engage a third-party Government Relations firm to monitor relevant regulatory changes.



### LEGAL

Gibson considers potential litigation that could be targeted towards our business and the energy industry at large. This generally relates to climate change or other environmental regulations, potential risks to business operating costs and

adverse reputational impacts. While impossible to eliminate the risk of potential litigation targeted towards the energy industry, we mitigate any potential legal impact by ensuring we remain a leader in sustainability and ESG. Nevertheless,

our ability to continue delivering on our ESG strategy and targets is dependent on our ability to execute our current business strategy and milestones as well as continuing to evolve our strategy.



## Climate-Related Opportunities and Risks



### TECHNOLOGY

As a responsible operator, Gibson considers improvements in the production and longevity of alternative energy sources like solar and wind, emissions reduction technologies, as well as the growth of electric and battery powered engines. As these technologies become more affordable and accessible, customer demand may change due to the increased capabilities of low carbon energy sources. This type of innovation could expose Gibson to a decrease in demand for crude oil and petroleum products and the transportation thereof.

Gibson also recognizes that technology presents an opportunity to investigate how we can leverage renewable technology operationally. The ability to deploy renewable technology, such as for power generation, can reduce our consumption of non-renewable energy and help us achieve our 2025 and 2030 absolute and

intensity emissions targets and our commitment to net zero emissions by 2050.

We are currently considering opportunities for utilizing renewable energy technologies at all our locations, which could include wind, solar or geothermal power. Specifically, we are in the early stages of investigating such an opportunity for our Moose Jaw Facility, as Saskatchewan's open land areas and abundance of sunshine make it an ideal location for solar power. There may also be a future opportunity to incorporate battery storage with solar power generation at our assets, which could enable us to export any excess electricity generated to help contribute to the decarbonization of the power grid.

There is a potential opportunity to deploy carbon capture and storage (CCS) technology to achieve our

ambitious absolute and intensity targets and reduce direct costs, although current CCS costs make such a project uneconomical at this time.

Additionally, we have identified an opportunity to expand our business offerings of renewable products and services such as through implementing technologies to support the production and storage of biofuels. We believe that through this type of opportunity, Gibson can demonstrate how we are supporting the energy transition and the changing needs of our customers, while partnering with customers to help achieve their low-carbon fuel goals.

Our strategy to realize technology-related opportunities includes incentivizing the investigation of renewable energy opportunities as part of our employee Short Term

Incentive Program (STIP) metrics, as well as providing sufficient resources internally to support the deployment of renewable projects. Our STIP compensates employees based on their ability to achieve defined corporate objectives. Climate-related performance objectives are included within a 35% weighting of ESG metrics in the total STIP calculation. Employees have performance objectives related to completing renewable energy and energy efficiency improvement projects to help achieve our 2025 and 2030 Scope 1 and 2 emissions targets and 2050 net zero commitment. Our strategy also includes holding regular discussions with current and potential customers through our commercial team, which has an internal working committee which meets bi-weekly to discuss priorities for engaging with customers on climate-related topics such as biofuels and renewable energy opportunities.

## Climate-Related Opportunities and Risks



### MARKET

Gibson considers how climate change mitigation, energy transition and adaptation policies will impact customer demand for crude oil and petroleum products and affect the energy industry overall. We note there may be a change in customer behaviour as stakeholders continue to encourage companies to set decarbonization targets, supporting strategies with tangible actions, and new low carbon energy sources become increasingly affordable and accessible. To ensure we meet our stakeholders' expectations, we remain proactive in our pursuit of opportunities to reduce our emissions, achieve our targets and further embed climate-related considerations into our business strategy. Additionally, we are exploring the potential to expand our asset base to enable the further production and accessibility of low carbon fuels.

The SDS assumes there may be limited expansion of existing upstream oil and gas projects and a decrease of investment into new oilfield development projects,

which could result in a decrease in throughput. Based on the SDS assumptions, there could be a potential for a decrease in throughput at Gibson's storage and handling operations. Nevertheless, we will continue working with our customers to maintain and increase our long-term and take-or-pay contracts, as these types of agreements are the most resilient in the face of production changes.

Using the same assumptions for the SDS as previously stated, there is a possibility for other products at our Moose Jaw Facility, such as drilling fluids and light end products, to see a decrease in demand. However, this is not expected to have a substantial impact as many of our products from the Moose Jaw Facility are primarily non-combustible or intermediate products, which are not related to oilfield development projects. Their demand is not expected to decrease under either scenario and may even be strengthened. As an ESG-focused company, we continue to invest in our processing facilities to ensure the products we process

are less carbon intensive, and we are confident that as we prioritize capital allocation opportunities, we will be well-positioned to continue to pivot with the energy transition. We also view the energy transition as an opportunity to offer enhanced infrastructure and services, such as the production, storage and transportation of low carbon fuels, and believe we are well-positioned to support the future transition to a lower carbon economy.

To respond to potential changes in energy markets, we actively monitor market trends and have set up internal committees and working groups to proactively identify any developments that could impact our business and operations. These working groups are responsible for maintaining a macro view of the global energy environment and assisting Gibson in identifying any future opportunities for our business to support the energy transition such as renewable fuels. We continue to educate our employees and leaders on the changing environment and the increasing

global focus on decarbonization. Additionally, we engage with third-party stakeholders and organizations such as the Canadian Business for Social Responsibility, which enables us to stay abreast of new developments occurring in government or among our peers. Throughout 2020, Gibson investigated the opportunity to diversify our business activities to offer products and services for the blending and storage of renewable fuels. In early 2021, we announced a long-term agreement with our customer Suncor for services at Gibson's Edmonton Terminal and the related sanction of an expansion to support the blending and loading of third-party biofuels. The additional infrastructure for the Biofuels Blending Project will be used to facilitate the storage, blending and transportation of renewable diesel. The project will contribute to at least half of our 2021 growth capital expenditures being aligned with our ESG priorities.

## Climate-Related Opportunities and Risks



### MARKET

As a Canadian-based liquids infrastructure company with our principal business consisting of the storage, optimization and processing of crude oil and refined products, our existing assets are closely linked to the Canadian oil sands industry and any shifts in oil sands demand could impact our current business. Under the STEPS, Canadian oil sands supply is expected to increase, while the SDS assumes there may be a decrease in oil sands supply. If the SDS materializes, it could potentially present challenges to how we have historically contracted our infrastructure assets in Western Canada. That said, we believe we are well-positioned to support any new energy infrastructure requirements that may emerge from changes in energy markets. Our organizational capabilities and irreplaceable asset base will support the energy transition and help us continue to evolve to meet the changing energy demand and the needs of our current and future customers.

Overall, we believe Gibson's strategy is resilient in the short and medium-term under the SDS. We have embedded climate-related considerations into our strategy and decision-making and are actively managing any potential long-term challenges by regularly monitoring 10 climate signposts, which we update and review annually. These signposts include indicators related to feedstock supplies, market demand for fuels, infrastructure, commodity pricing and regulatory signals. We are confident that our existing business and our ability to provide energy infrastructure solutions will remain strong throughout the energy transition as we actively monitor these signposts and continue to incorporate climate-related opportunities and risks into our long-term strategy.





## Climate-Related Opportunities and Risks



### REPUTATION

Gibson is committed to upholding our reputation as a credible and trusted company, building positive stakeholder relationships and recruiting and retaining employees. Our operations and growth as a company depends on us having strong relationships with key stakeholders including our shareholders, employees, landowners, governments and government agencies.

We believe that the failure to manage our reputation could result in revenue loss, a reduced customer base and a decrease in share price.

We recognize the stigmatization of the energy industry as a key reputational risk, which could lead to a negative impact on Gibson's market capitalization.

As we continue to focus on climate change and GHG emissions globally, we face the social pressure to reduce emissions and move toward decarbonization. Additionally, investors are looking to incorporate

sustainability and ESG considerations as part of their portfolios.

As the pressure to reduce emissions increases, we understand that investors' increasing focus on climate change may result in higher capital costs. We also acknowledge that Gibson's ability to adapt and succeed in a lower carbon economy will be compared against our peers.

To mitigate this risk, Gibson has focused on ensuring ESG criteria continues to be further embedded across our company including through the setting of voluntary ESG targets with a focus on, among other things, absolute emissions reductions and emissions intensity reductions for both Scope 1 and 2 emissions. Additionally, we believe our commitment to achieving net zero emissions from our operations by 2050 will enable us to remain a leader throughout the energy transition as we do our part to tackle climate change.



## Climate-Related Opportunities and Risks

### Physical Risks



#### ACUTE PHYSICAL

We identified a future increase in the severity and frequency of extreme weather events, such as cyclones and floods, as an acute physical risk to certain of our assets. These types of events could result in mechanical malfunctions, faulty measurements or other disruptions which could increase operating expenses and reduce revenue. While most of our infrastructure is not at risk for extreme weather events, there is the possibility we may be exposed

to physical climate-related weather events in the future.

Despite the low probability of physical climate risks, we actively conduct engineering and environmental studies on areas which may potentially face extreme weather-related impacts to ensure the resilience of our operations. This is also a critical step of our engineering process when we design and build new infrastructure. Additionally,

we have strengthened our emergency response plan to factor in the possibility of extreme weather-related events. Through our control center, we conduct real-time tracking of the flow rates for our pipelines and pumps, readying us to immediately shut down operations when required if any indication of extreme weather-related events occurs.



#### CHRONIC PHYSICAL

Gibson considers the possible impacts of ongoing soil erosion, earth movement, thawing and freezing on our pipeline infrastructure, which may result in mechanical malfunctions and adverse impacts to our operations and reputation.

Our asset integrity team regularly reviews our infrastructure, including an assessment of such chronic physical risks. Applying such assessment

criteria, we recently identified a potential slope stability risk related to our Stoney Beach Pipeline that could be exacerbated by accelerated soil erosion. As this pipeline crosses the Moose Jaw River, we mitigated this risk by proactively completing a horizontal directional drill to bury this pipeline deep into the surrounding bedrock.



## The Impact of Climate-Related Opportunities and Risks on our Business

### How Climate-Related Opportunities and Risks Have Influenced our Strategy



#### PRODUCTS & SERVICES

Climate-related opportunities and risks have influenced our business strategy, particularly concerning renewable storage products and services. As renewable fuel regulations emerge, the demand for low carbon fuels and renewable fuel blends will likely increase.

Our strategy for renewable products and services has a time horizon of five to 10 years.

Throughout 2020, we discussed opportunities to build additional storage tanks and distribution infrastructure for renewable products

with current and potential customers. In early 2021, we announced a long-term agreement with our customer Suncor for services at Gibson's Edmonton Terminal and the related sanction of an expansion to support the blending and loading of third-party biofuels. The additional infrastructure

for the Biofuels Blending Project will facilitate the storage, blending and transportation of renewable diesel.



#### SUPPLY CHAIN

We have integrated ESG considerations into our sustainable procurement strategy by collecting ESG and climate-related information from suppliers, engaging with top suppliers on climate-related topics and implementing a new Supplier Code of Conduct and Ethics (Supplier Code). In 2020, we began collecting climate-related information from our suppliers both through our third-party supplier pre-qualification tool, ISNetwork, as well as through the

request for proposals (RFP) process. These questionnaires include climate-related topics such as air and GHG emissions and climate-related strategy and ensure suppliers meet minimum requirements with respect to carbon management. Responses to the ESG questionnaire carry a 5% weighting in the overall assessment of potential vendors and suppliers. In 2021, we implemented the Supplier Code as part of our commitment to operating a responsible business.

The new Supplier Code outlines, among other things, our expectations of suppliers regarding their commitment to sustainability and the management of carbon emissions. It also encourages suppliers to identify opportunities to improve their own environmental and climate-related performance.

Our responsible procurement strategy has a time horizon over the next two years. At that point, we

plan to review and make additional updates to our supplier expectations. We also review the ESG questions in our RFP and supplier pre-qualification processes annually to ensure we continue to evolve and enhance our and our suppliers' commitments and expectations of managing climate-related opportunities and risks and collect relevant information from our suppliers and contractors.



## The Impact of Climate-Related Opportunities and Risks on our Business



### INVESTMENT IN RESEARCH & DEVELOPMENT

Gibson is committed to investing in low carbon research and development, with an emphasis on identifying opportunities to lower our emissions footprint. We conduct engineering and efficiency studies to determine the GHG and air emissions reduction potential of new and emerging technologies. These studies include technology pilot evaluations, carbon liability forecasting and process efficiency evaluations focused on reducing existing and potential infrastructure emissions. Additionally, the studies

involve factoring the current and future carbon prices into our economic modelling to determine the overall viability of potential projects. These reviews influence our project development strategy and serve as a critical part of our corporate strategy.

We have conducted studies to determine the GHG and air emissions reduction potential of proven technologies for Scope 1 and 2 emissions. This involves investigating the potential to utilize lower carbon fuel sources to reduce our Scope 1

footprint and renewable technologies to reduce the Scope 2 footprint at our assets.

Through this process, we identified an opportunity to invest approximately \$19.2 million at our Moose Jaw Facility to transition this facility to natural gas as a primary feedstock. This transition will result in an estimated reduction of 5,000 tonnes of Scope 1 emissions each year, while increasing production of this facility by 1,500 barrels per day. This fuel switching project also decreases associated ni-

trogen oxide (NO<sub>x</sub>) and sulphur oxide (SO<sub>x</sub>) emissions. This project builds on the earlier emissions intensity reduction projects previously implemented at our Moose Jaw Facility, which was the largest contributor to our total overall Scope 1 emissions in 2020. As a result, we have prioritized opportunities to optimize and improve the facility's emissions profile to ensure our stated emission reduction targets are met.



### OPERATIONS

Because our Moose Jaw Facility is considered a large emitter under the MRGGR, we established a carbon emissions compliance operations strategy. With respect to our Alberta assets, we also decided to voluntarily enrol in the TIER

program to minimize the potential financial impacts of the Federal Backstop, particularly related to the carbon tax on the fuels used by our facilities. By voluntarily participating in the TIER program, which includes mandatory emission reduction

requirements, we are proactively aligning our corporate standards with government and industry expectations.

Regulatory, environmental and climate-related risks may impact

our carbon management activities operationally. The time horizon for this strategy is three to five years and will continue to be reviewed annually in accordance with changes to the Federal Backstop's carbon pricing escalation.

## The Impact of Climate-Related Opportunities and Risks on our Business

### How Climate-Related Opportunities and Risks Have Influenced our Financial Planning



#### REVENUES

Revenues in our financial planning process are influenced by climate-related policies and changes in market behaviour, such as increased demand for renewable fuels. For example, in 2020, we discussed opportunities to build additional storage tanks and distribution infrastructure for

renewable products with potential partners and customers. In early 2021, we sanctioned the construction of the Biofuels Blending Project at our Edmonton Terminal. We will use the additional infrastructure to facilitate the storage, blending and transportation of renewable

diesel, contributing to an increase in Gibson's revenue. Additionally, we are exploring an opportunity to expand our offering of renewable products and services, such as building a facility to support the production of biofuels, which would also have a positive impact on

our revenue. The time horizon for financial planning related to revenues occurs annually, with near-term outlooks reviewed more frequently and long-term forecasting modelled over five and ten-year periods.



#### DIRECT COSTS

Understanding direct costs over the long-term is vital to our financial planning and project viability. As a result, we include carbon pricing in business-case modelling as an economic driver for projects in jurisdictions where applicable, in conjunction with other financial considerations.

We currently use an evolving internal carbon price of \$40 to \$50 per tonne to understand the future impacts of carbon pricing on our business

decisions and direct costs, including investment in emission reduction activities. We also continue to align our internal carbon pricing with the Canadian Government's plan, "A Healthy Environment and a Healthy Economy," which proposes increasing the carbon price by \$10 per year until reaching \$170 per tonne in 2030.

At our Moose Jaw Facility specifically, we used an internal carbon price when evaluating our fuel switching project. The emissions reduction that

will occur by transitioning from a feedstock-based fuel supply to natural gas will reduce direct costs related to potential carbon tax obligations. We also apply Gibson's internal carbon price on projects where the carbon tax is applicable, such as the DRU at our Hardisty Energy Terminal, which will help reduce emissions along the value chain as the project will result in diluent no longer having to be exported and returned to Canada. In the project modelling/decision matrix for the DRU, carbon

tax was quantified and included alongside other estimated direct costs including employee salaries, repairs and maintenance, consulting, EH&S and information technology (IT) in determining the business case and return of the project. The time horizon for financial planning related to direct costs occurs annually.

## The Impact of Climate-Related Opportunities and Risks on our Business



### INDIRECT COSTS

Indirect costs are evaluated during our financial planning process through the impact of carbon pricing on indirect energy-related costs, as well as operating costs. When

considering new projects, we embed carbon pricing as an assumption in energy-related inputs such as electricity, where relevant. Climate-related operating costs we consider

include climate-related consulting such as monitoring of potential impacts from regulatory and carbon pricing changes, quantification and verification of company-wide GHG

emissions and carbon management and disclosure programs. The time horizon for financial planning related to indirect costs occurs annually.



### CAPITAL EXPENDITURES

We consider the impact of GHG emissions as part of our capital review processes and have internal teams to identify and advance opportunities

to reduce GHG emissions. We believe innovation and optimization are key to unlocking additional GHG reduction opportunities and remain

committed to ensuring that all of our capital expenditures, including investment in emissions reductions, continue to meet Gibson's internal

return hurdles. The time horizon for financial planning related to capital expenditures occurs annually.



### CAPITAL ALLOCATION

We view the energy transition as a capital allocation opportunity. Accordingly, we commit funds within our budget to investigate opportunities to reduce the company's emissions and ensure our business is resilient throughout

the energy transition. In addition, we allocate capital to projects that will help us address both emerging and current climate-related opportunities and risks. Specifically, in 2021, we allocated capital to construct additional infrastructure at our

Edmonton Terminal to support the storage, blending and transportation of renewable diesel.

Additionally, we designate capital to ensure we commit sufficient resources internally to review emissions re-

duction opportunities, such as the fuel switching project at our Moose Jaw Facility. The time horizon for financial planning related to capital allocation occurs annually.



## The Impact of Climate-Related Opportunities and Risks on our Business



### ACQUISITIONS & DIVESTMENTS

We consider the impact of carbon taxes and the implications of current and emerging regulations when evaluating any potential mergers, acquisitions or divestment activity. Carbon tax and other climate-related

impacts are key considerations in our business decision making. This ensures we are appropriately evaluating assets that will drive value for our business, while including considerations focused on the

energy transition and alignment with our external ESG targets. The time horizon for financial planning related to acquisitions and divestments occurs as needed.



### ACCESS TO CAPITAL

Gibson considers access to capital in our financial planning, specifically regarding our ability to meet the climate-related expectations of key stakeholders and investors. In April 2021, Gibson became the first public energy company in North America to fully transition our principal

syndicated revolving credit facility into a sustainability-linked revolving credit facility. The new five-year \$750 million Sustainability-Linked Loan includes pricing based on our ability to reduce company-wide Scope 1 and 2 emissions intensities by 2025. Additionally in 2021, our strong

ESG performance was recognized and we were added to the S&P/TSX Composite ESG Index and the Sustainalytics Jantzi Social Index. With the increasing number of investors integrating sustainability into their investment strategies, such as through ESG mandates, climate

change is becoming more central to major investment decisions. The time horizon for financial planning related to access to capital occurs annually but is continuously considered in Gibson's market communications.

# Risk Management



## Identifying, Assessing and Managing Climate-Related Risks

Gibson considers several factors when defining a substantive financial or strategic impact on our business. Therefore, when measuring the potential impact of risk, we consider both qualitative and quantitative impacts. This may include impacts on demand for products and services, revenue, reputation, access to capital and access to services such as insurance and operating costs. On a quantitative basis, we generally classify a risk as capable of having a substantive financial or strategic impact on our business if that risk can be reasonably expected to have a significant effect on our share price and therefore our market capitalization in the short or medium-term, by equal to or greater than 10%.

The process to identify, assess and respond to climate-related opportunities and risks is integrated within our Enterprise Risk Management (ERM) process, which takes place quarterly

with a more comprehensive review completed annually. Our ERM process is primarily focused on short and medium-term risks related to our direct operations as well as our upstream and downstream value chain. Longer-term risks are also discussed through our ERM process, with a focus on our direct operations as well as our upstream and downstream value chain.

We assess each facility's operational risks in detail as part of our OMS risk management process. Our goal is to identify and assess all risks, including climate-related risks that threaten people, the environment and our assets. Based on the findings of the assessment, we then identify, implement and maintain mitigations to manage our risks to levels as low as reasonably practicable. All Operations and Engineering risks are located on a central register, with our highest risks reviewed by

senior leaders monthly. These risks are also aggregated into the ERM program to ensure appropriate oversight.

Our executive team revisits historical risks and identifies and defines any new or emerging climate-related risks affecting the business. The Audit Committee Chair and President & CEO conduct a review of the identified risks and provide quarterly updates to the Audit Committee and the Board. Each risk is assigned a risk rating based on its likelihood and impact. Significant risks with the potential to have a substantive financial or strategic impact on our business are identified with mitigation plans in place. We assign executive risk owners and provide status updates on a quarterly basis.



# Metrics & Targets



Being a leader as the world transitions to a climate-resilient future is a critical role Gibson is committed to take, for our country, business and community. We have a responsibility to ensure a healthy economy is maintained, while doing our part in limiting the rise of global temperatures. This can and will be accomplished through sustainable development. It is our view that Canadian oil and gas should be the last remaining source of global oil as we, alongside the rest of the Canadian energy industry, continue to be the leading supplier of responsibly produced oil operating in one of the most robust ESG regulatory frameworks in the world. Our commitment to net zero Scope 1 and 2 greenhouse gas emissions across our business by 2050 helps Canada meet its commitment to the Paris Agreement and further supports Canada as a global leader on climate change.

– Steve Spaulding, President  
& Chief Executive Officer

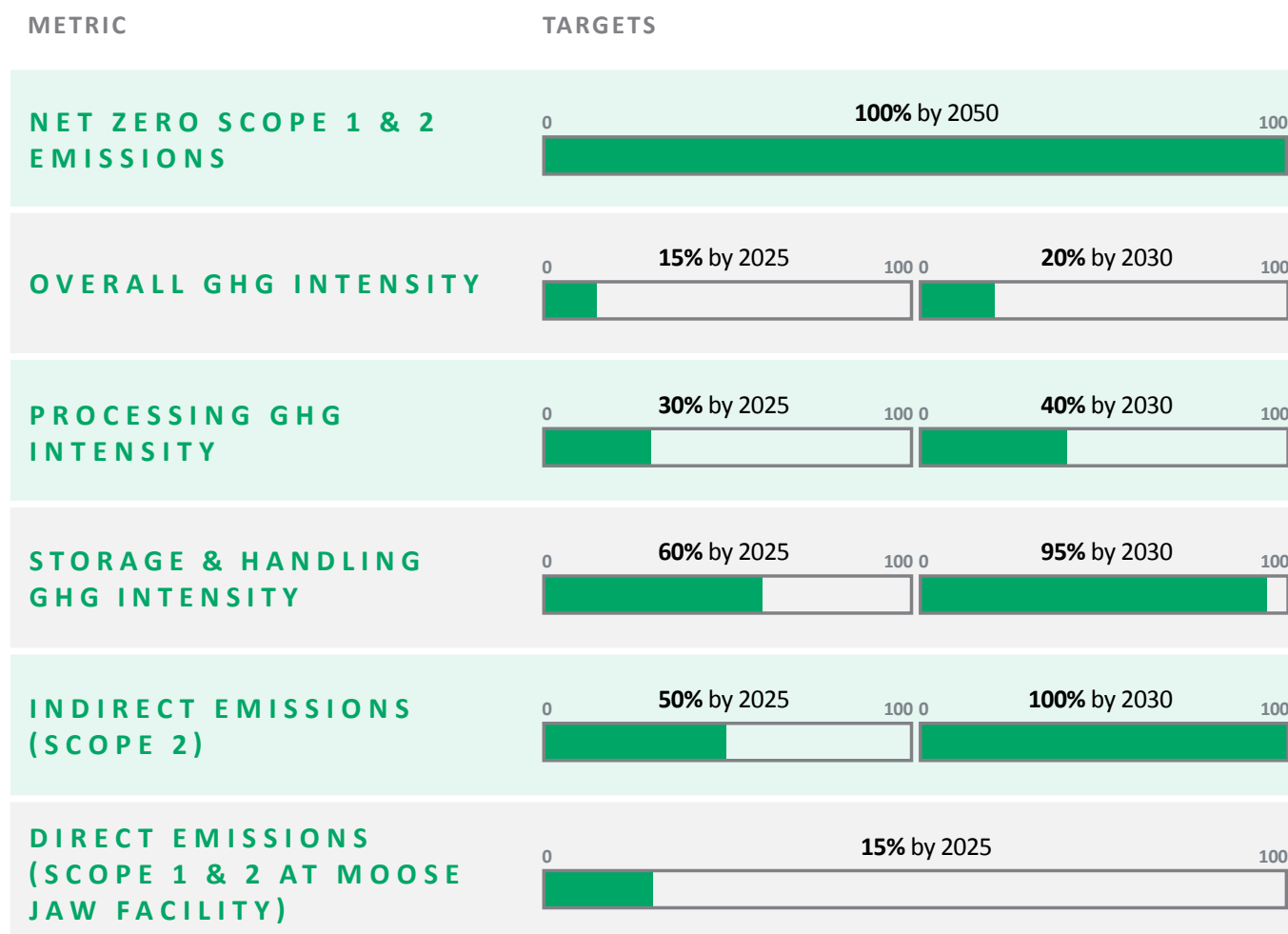
At Gibson, we play an integral role in the Canadian energy value chain and are committed to continue embedding sustainability and ESG in all areas of our business. We work hard to minimize emissions and energy use while promoting resource conservation and environmental stewardship. We also recognize how rising concerns over climate change have led to changing regulatory requirements, which could impact demand for crude oil and lead to potential litigation and additional compliance obligations. Therefore, we remain committed to reducing our environmental impact by measuring our performance and setting targets for continuous improvement.



# Metrics & Targets



## Environmental Goals



All targets are established on a 2020 baseline and intensity targets include Scope 1 and 2 emissions.

# Metrics & Targets



## Social Goals

### METRIC

### TARGETS

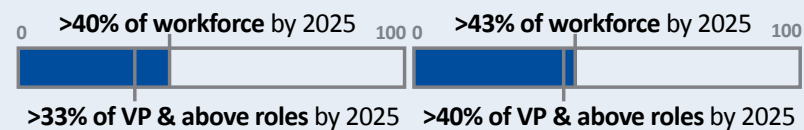
#### EMPLOYEE TOTAL RECORDABLE INJURY FREQUENCY (TRIF)

#### TOP QUARTILE SAFETY PERFORMANCE

Currently represented as TRIF equal to or less than 0.5

#### WOMEN IN THE WORKFORCE

have at least one woman in an SVP or above role by 2025



#### RACIAL & ETHNIC MINORITY REPRESENTATION

have at least one racial & ethnic minority persons in an SVP or above role by 2025



#### INDIGENOUS REPRESENTATION

have at least one Indigenous Persons in an SVP or above role by 2025

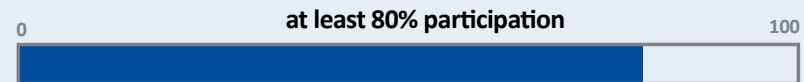


#### COMMUNITY community initiatives

#### AT LEAST \$5 MILLION (MINIMUM OF \$1 MILLION ANNUALLY)

#### COMMUNITY

maintain our leadership in workforce participation in our community giving program



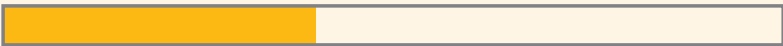
All targets are established on a 2020 baseline.



# Metrics & Targets



## Governance Goals

METRIC	TARGETS
<b>WOMEN REPRESENTATION</b> on the board of directors	0 <b>&gt;40% by 2025</b> 100 
<b>RACIAL &amp; ETHNIC MINORITY REPRESENTATION</b> and/or Indigenous representation on the board of directors	<b>&gt;ONE BOARD MEMBER BY 2025</b>
<b>SUSTAINABILITY LEADERSHIP</b>	<b>MAINTAIN TOP QUARTILE PERFORMANCE FROM THIRD-PARTY ESG-RATING AGENCIES (ONGOING)</b>
<b>PROTECTION OF ASSETS</b>	<b>ENSURE ROBUST CYBERSECURITY MEASURES ARE IN PLACE (ONGOING)</b>

All targets are established on a 2020 baseline.





# Looking Forward



In our first year of TCFD reporting, Gibson has made significant progress further integrating climate-related opportunities and risks into our business strategy. Building on this solid foundation, we are committed to updating our progress on the TCFD recommendations biennially to meet the expectations of our stakeholders.

As we further progress on our sustainability journey, we will explore new insights, data and tools on climate change and the energy transition to help measure and manage potential climate risk. Our climate scenario analysis work has further empowered us to identify short, medium and long-term opportunities and risks, which we are actively incorporating into our ERM process. As we move forward,

we will also continue to create, update and review our climate signposts. Ultimately, these continued efforts will allow us to further improve the resilience of our business and remain at the forefront of sustainability in the energy industry.

Moving forward, we will continue to refine our strategy and framework in assessing climate-related opportunities and risks and will remain transparent in future TCFD reports. We are committed to continue embedding sustainability across our organization to foster initiatives that generate long-term value for our key stakeholders, minimize our impact on the environment and support a sustainable energy transition.



# TCFD Disclosure Index



TCFD RECOMMENDATIONS		REPORT SECTION
<b>GOVERNANCE</b>		
Disclose the organization's governance around climate-related risks and opportunities	Describe the Board's oversight of climate-related risks and opportunities	Oversight by the Board of Directors, page 13
	Describe Management's role in assessing and managing climate-related risks and opportunities	Role of Senior Leadership, page 14 Climate Change and Emissions Working Group, page 15
<b>STRATEGY</b>		
Disclose the actual and potential impacts of climate-related risks and opportunities on the organization	Describe the climate-related risks and opportunities the organization has identified over the short, medium, long-term	Climate-Related Opportunities and Risks, pages 19-25
	Describe the impact of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning	The Impact of Climate-Related Opportunities and Risks on Our Business, pages 26-30
	Describe the resilience of the organization's strategy, taking into consideration different climate-related scenarios, including 2°C or lower scenarios	Climate Scenarios, pages 16-18
<b>RISK MANAGEMENT</b>		
Disclose how the organization identifies, assesses, and manages climate-related risks	Describe the organization's processes for identifying and assessing climate-related risks	Role of Senior Leadership, page 14 Identifying, Assessing and Managing Climate-Related Risks, page 31
	Describe the organization's processes for managing climate-related risks	Role of Senior Leadership, page 14 Identifying, Assessing and Managing Climate-Related Risks, page 31
	Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management	Identifying, Assessing and Managing Climate-Related Risks, page 31
<b>METRICS &amp; TARGETS</b>		
Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material	Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process	Metrics and Targets, pages 32-35 Sustainability and ESG Performance Data, pages 38-48
	Disclose Scope 1, Scope 2, and if appropriate, Scope 3 GHG emissions, and the related risks	Sustainability and ESG Performance Data, pages 38-48
	Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets	Metrics and Targets, pages 32-35

# Sustainability and ESG Performance Data



## Environmental

UN SDG



GREENHOUSE GAS (GHG) EMISSIONS <sup>(1)</sup>	2020	2019	2018	SASB	GR+
Total Scope 1 Direct GHG Emissions (tCO <sub>2</sub> e)	69,062	86,697	Not Tracked	EM-MD-110a.1 EM-RM-110a.1	305-1
Percent from Methane Emissions (%)	2.5	0.8	Not Tracked	EM-MD-110a.1	
Percent covered under emissions limiting regulation (%) <sup>(2)</sup>	86.6	Not Tracked	Not Tracked	EM-MD-110a.1	
Total Scope 2 Energy Indirect GHG Emissions (tCO <sub>2</sub> e) (Location-based)	54,622	57,452	Not Tracked		305-2
Total Scope 2 Energy Indirect GHG Emissions (tCO <sub>2</sub> e) (Market-based)	49,004	Not Tracked	Not Tracked		305-2
Total Scope 1 + 2 Emissions (tCO <sub>2</sub> e) (Market-based)	118,066	Not Tracked	Not Tracked		
CANADA GHG EMISSIONS					
Scope 1 Direct GHG Emissions (tCO <sub>2</sub> e)	63,909	86,697	Not Tracked		305-1
Scope 2 Energy Indirect GHG Emissions (tCO <sub>2</sub> e) (Location-based)	53,622	57,452	Not Tracked		305-2
UNITED STATES GHG EMISSIONS					
Scope 1 Direct GHG Emissions (tCO <sub>2</sub> e)	5,153	Not Tracked	Not Tracked		305-1
Scope 2 Energy Indirect GHG Emissions (tCO <sub>2</sub> e) (Location-based)	1,000	Not Tracked	Not Tracked		305-2
PROCESSING FACILITIES GHG EMISSIONS					
Scope 1 Direct GHG Emissions (tCO <sub>2</sub> e)	62,348	52,336	Not Tracked		305-1
Scope 2 Energy Indirect GHG Emissions (tCO <sub>2</sub> e) (Location-based)	10,213	10,748	Not Tracked		305-2
STORAGE & HANDLING FACILITIES GHG EMISSIONS					
Scope 1 Direct GHG Emissions (tCO <sub>2</sub> e)	6,714	34,361	Not Tracked		305-1
Scope 2 Energy Indirect GHG Emissions (tCO <sub>2</sub> e) (Location-based)	44,409	46,704	Not Tracked		305-2



# Sustainability and ESG Performance Data



## Environmental

UN SDG



GREENHOUSE GAS (GHG) EMISSIONS <sup>(1)</sup>	2020	2019	2018	SASB	GRI
EMISSIONS INTENSITY					
Company-Wide Scope 1 + 2 Emissions Intensity (tCO <sub>2</sub> e/\$CAD revenue)	0.000024	0.000027	Not Tracked		305-4
Company-Wide Scope 1 + 2 Emissions Intensity (tCO <sub>2</sub> e/BOE)	0.00029	Not Tracked	Not Tracked		305-4
Storage and Handling Facilities Scope 1 + 2 Emissions Intensity (tCO <sub>2</sub> e/BOE)	0.000129	Not Tracked	Not Tracked		305-4
Processing Facilities Scope 1 + 2 Emissions Intensity (tCO <sub>2</sub> e/BOE)	0.007883	Not Tracked	Not Tracked		305-4
SCOPE 3 OTHER INDIRECT GHG EMISSIONS (TCO <sub>2</sub> E)					
Purchased goods and services	423,928	129,298	Not Tracked		305-3
Capital goods	194,490	119,008	Not Tracked		305-3
Fuel-and-energy-related activities	6,540	11,430	Not Tracked		305-3
Upstream transportation and distribution	54,420	Not Tracked	Not Tracked		305-3
Waste generated in operations	993	179	Not Tracked		305-3
Business travel	214	524	Not Tracked		305-3
Employee commuting	1,998	2,994	Not Tracked		305-3
Downstream transportation and distribution	282,991	Not Tracked	Not Tracked		305-3
Processing of sold products	15,266	Not Tracked	Not Tracked		305-3
Use of sold products	80,614	Not Tracked	Not Tracked		305-3

# Sustainability and ESG Performance Data



## Environmental

UN SDG



AIR EMISSIONS <sup>(3)</sup>	2020	2019	2018	SASB	GRI
Total Criteria Air Contaminants (CACs) (tonnes)	3,672	4,043	4,243		305-7
Nitrogen Oxides (tonnes)	112	118	33	EM-MD-120a.1	305-7
Sulphur Oxides (tonnes)	77	104	154	EM-MD-120a.1, EM-RM-120a.1	305-7
Particulate Matter (tonnes)	2,613	2,588	2,606	EM-MD-120a.1, EM-RM-120a.1	305-7
Hydrocarbons (tonnes)	849	1,187	1,433		305-7
Carbon Monoxide (tonnes)	12	37	7		305-7
Volatile Organic Compounds (VOCs) (tonnes)	814	1,123	1,365	EM-MD-120a.1, EM-RM-120a.1	305-7
H <sub>2</sub> S (tonnes)	9	11	12	EM-RM-120a.1	305-7
Percentage of air emissions in or near areas of dense population (%) <sup>(4)</sup>	3	3	7		

# Sustainability and ESG Performance Data



## Environmental

UN SDG



ENERGY <sup>(1)</sup>	2020	2019	2018	SASB	GRI
Total Energy Consumption (MWh)	365,095	321,849	Not Tracked		302-1
Fuel (MWh)	277,641	243,813	Not Tracked		302-1
Electricity (MWh)	87,453	78,036	Not Tracked		302-1
Renewable (MWh)	9,000	0	Not Tracked		302-1
Non-Renewable (MWh)	78,453	78,036	Not Tracked		302-1
Canada Total Energy Consumption (MWh)	362,560	321,849	Not Tracked		302-1
United States Total Energy Consumption (MWh)	2,535	Not Tracked	Not Tracked		302-1
Total Energy Intensity (MWh/BOE)	0.0009	Not Tracked	Not Tracked		302-3
Total Energy Intensity (MWh/\$CAD revenue)	0.000074	Not Tracked	Not Tracked		302-3
BIODIVERSITY & LAND USE	2020	2019	2018	SASB	GRI
Total Land Remediated (ha) <sup>(5)</sup>	0.8	3.9	4.3	EM-MD-160a.3	304-3



# Sustainability and ESG Performance Data



## Environmental

UN SDG



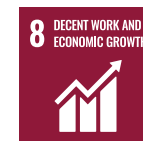
WATER <sup>(6)</sup>	2020	2019	2018	SASB	GRI
Water Withdrawal (m³)	541,890	404,914	476,602		303-3
Fresh Water (m³)	531,624	398,489	476,602	EM-RM-140a.1	303-3
Surface Water (m³)	299,203	223,345	272,040		303-3
Ground Water (m³)	22,009	2,372	2,372		303-3
Municipal Water (m³)	210,412	171,284	202,190		303-3
Produced Water (m³)	10,266	6,424	0		303-3
Salt Water (m³)	0	0	0		303-3
Water Consumed (m³) <sup>(7)</sup>	16,638	6,424	2,372		303-5
Water Returned (m³) <sup>(8)</sup>	525,252	398,489	474,230		303-4
Water Recycled (%)	96.9	98.4	99.5	EM-RM-140a.1	
Water Stress Exposure (%) <sup>(9)</sup>	0	0	0	EM-RM-140a.1	303-3
WASTE <sup>(10)</sup>	2020	2019	2018	SASB	GRI
Total Waste Generated (thousand tonnes)	74.6	7.0	15.2		306-3
Hazardous Waste Generated (thousand tonnes)	0.04	3.8	10.2	EM-RM-150a.1	306-3
Non-Hazardous Waste Generated (thousand tonnes)	74.6	3.2	5.0		306-3
Total Waste Landfilled (thousand tonnes)	72.5	2.2	5.0		306-5

# Sustainability and ESG Performance Data



## Social

UN SDG



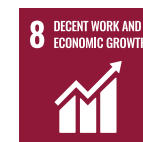
HEALTH & SAFETY	2020	2019	2018	SASB	GRI
<b>Fatalities</b>	0	1	1	EM-RM-320a.1	403-9
Employee Fatalities	0	0	1	EM-RM-320a.1	403-9
Contractor Fatalities	0	1	0	EM-RM-320a.1	403-9
Third-Party Fatalities <sup>(11)</sup>	0	0	0		
<b>Combined Total Recordable Injury Frequency (TRIF) <sup>(12)</sup></b>	1.02	1.12	1.14	EM-RM-320a.1	403-9
Employee Total Recordable Injury Frequency (TRIF) <sup>(12)</sup>	1.03	1.08	1.14	EM-RM-320a.1	403-9
Employee Number of Recordable Injuries	5	8	15		403-9
Contractor Total Recordable Injury Frequency (TRIF) <sup>(12)</sup>	1.01	1.16	1.15	EM-RM-320a.1	403-9
Contractor Number of Recordable Injuries	4	8	9		403-9
<b>Combined Lost Time Injury Frequency (LTIF) <sup>(12)</sup></b>	0	0.21	Not tracked		403-9
Employee Lost Time Injury Frequency (LTIF) <sup>(12)</sup>	0	0	0.28		403-9
Employee Number of Lost Time Injuries	0	0	4		403-9
Contractor Lost Time Injury Frequency (LTIF) <sup>(12)</sup>	0	0.44	Not tracked		403-9
Contractor Number of Lost Time Injuries	0	3	Not tracked		403-9
<b>Combined Near Miss Frequency Rate (NMFR) <sup>(12)</sup></b>	16.59	9.67	Not tracked	EM-RM-320a.1	403-9
<b>Recordable Vehicle Incident Frequency (RVIF) <sup>(13)</sup></b>	0	0.58	0.51		

# Sustainability and ESG Performance Data



## Social

UN SDG



HEALTH & SAFETY	2020	2019	2018	SASB	GRI
EHS Action Closures Rate (%) <sup>(14)</sup>	90.2	83	84		
EHS Meeting Compliance (%) <sup>(15)</sup>	99.2	96	93		
EHS Training Compliance (%) <sup>(16)</sup>	97.9	90	91		403-5
Incidents Investigations Quality (%) <sup>(17)</sup>	97.6	96	89		
EMPLOYEE ATTRACTION, RETENTION, DEVELOPMENT AND ENGAGEMENT	2020	2019	2018	SASB	GRI
Employee Turnover (%)	10	21	30		401-1
Voluntary (%)	4	11	15		401-1
Involuntary (%)	6	10	15		401-1
Average Annual Training Hours per Employee (#)	56	65	Not Tracked		404-1
Average Annual Training Cost per Employee (\$)	2,989	3,596	Not Tracked		
Gibson Employees <sup>(18)</sup>	511	509	824		
Full-time Permanent Employees <sup>(18)</sup>	486	489	787		
Part-time Employees <sup>(18)</sup>	5	6	9		
Fixed-term Employees <sup>(18)</sup>	20	14	28		
Total Employees in Canada <sup>(18)</sup>	466	468	729		
Total Employees in the United States <sup>(18)</sup>	45	41	95		
Unionized Workforce (%) <sup>(18)</sup>	26	26	14		
Number of New Employee Hires	76	154	406		401-1
Canada	64	115	140		401-1
United States	12	39	266		401-1

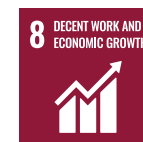


# Sustainability and ESG Performance Data



## Social

UN SDG



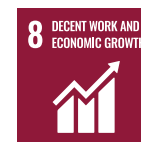
DIVERSITY & INCLUSION <sup>(19)</sup>	2020	2019	2018	SASB	GRI
Women in Workforce (%)	37	31	26		405-1
Women in Management - VP Level and Above (%)	26	29	25		405-1
Racial or Ethnic Persons (%)	18	Not Tracked	Not Tracked		405-1
Indigenous Persons (%)	1.6	Not Tracked	Not Tracked		405-1
Persons with a Disability (%)	4	Not Tracked	Not Tracked		405-1
Veterans (%)	2	Not Tracked	Not Tracked		405-4
COMMUNITY INVESTMENT & ENGAGEMENT	2020	2019	2018	SASB	GRI
Total Community Contributions (\$)	1,500,000	1,000,000	443,000		201-1
Value of Cash Donations (\$)	1,000,000	750,000	443,000		201-1
Employee Donations (\$)	190,000	120,000	Not Tracked		201-1
Number of Organizations Supported	402	332	Not Tracked		
Employee Volunteer Hours	4,123	803	Not Tracked		
Average Volunteer Hours per Employee	8.1	1.6	Not Tracked		
Gibson GIVES Participation Rate (%) <sup>(20)</sup>	89	62	Not Tracked		
SUSTAINABLE PROCUREMENT	2020	2019	2018	SASB	GRI
New Suppliers Screened Using Environmental and Social Criteria (%) <sup>(21)</sup>	100	Not Tracked	Not Tracked		308-1, 414-1

# Sustainability and ESG Performance Data



## Governance

UN SDG



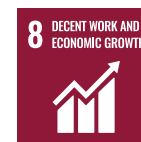
ORGANIZATIONAL PERFORMANCE	2020	2019	2018	SASB	GRI
Total Revenue (\$ thousands CAD)	4,938,066	7,336,322	6,846,589		201-1
Adjusted EBITDA from Combined Operations (\$ thousands CAD)	447,499	467,316	490,083		201-1
Employee Wages and Benefits (\$ thousands CAD)	107,157	96,347	124,679		201-1, 207-4
Income Tax Paid (\$ millions CAD)	29.4	20.6	55.6		201-1, 207-4
Property Tax Paid (\$ millions CAD)	8.9	7.8	9.2		201-1
GOVERNANCE	2020	2019	2018	SASB	GRI
Independent Directors (%)	88.9	87.5	87.5		
Women on Board (%) <sup>(18)</sup>	33	25	25		405-1
Average Board Meeting Attendance (%)	99	100	100		
Say on Pay Approval (%)	97.95	97.23	96.11		
ASSET INTEGRITY AND RESILIENCE					
Refining throughput of crude oil and other feedstocks (barrels in thousands) <sup>(22)</sup>	6,112	6,112	5,687	EM-RM-000.A	
Average daily refining operating capacity (barrels per day) <sup>(18)</sup>	22,500	22,000	17,000	EM-RM-000.B	
Number of refineries in or near areas of dense population <sup>(4)</sup>	0	0	0	EM-RM-120a.2	

# Sustainability and ESG Performance Data



## Governance

UN SDG



ASSET INTEGRITY & RESILIENCE	2020	2019	2018	SASB	GRI
Total Number of Releases (#)	72	174	306	EM-MD-160a.4	
Aggregate Volume of Hydrocarbon Releases (m <sup>3</sup> )	146.5	Not Tracked	Not Tracked	EM-MD-160a.4	
Volume of hydrocarbon releases recovered (m <sup>3</sup> ) <sup>(23)</sup>	47.9	Not Tracked	Not Tracked	EM-MD-160a.4	
Percent of hydrocarbon releases recovered (%)	33	Not Tracked	Not Tracked	EM-MD-160a.4	
Reportable Releases (#)	8	12	10	EM-MD-540a.1	306-3
Percent significant (%) <sup>(24)</sup>	50	Not tracked	Not tracked	EM-MD-540a.1	306-3
Volume of Reportable Releases (m <sup>3</sup> )	10.8	45.7	52.0	EM-MD-540a.1	306-3
Scheduled workorders (%) <sup>(25)</sup>	84	74	77		
Percent of pipeline length inspected over last 3 years (%)	95			EM-MD-540a.2	
Reportable Spill Incident Frequency (RSIF) <sup>(26)</sup>	0.13	0.73	1.16		
Process Safety Event (PSE) rates for Loss of Primary Containment (LOPC) of greater consequence (Tier 1) and lesser consequence (Tier 2)	0	Not Tracked	Not Tracked	EM-RM-540a.1	
Challenges to Safety Systems indicator rate (Tier 3)	12	15	Not Tracked	EM-RM-540a.2	
Number of Underground Storage Tanks (USTs) (#)	11	11	11	EM-RM-150a.2	
Number of UST releases requiring cleanup (#)	0	0	0	EM-RM-150a.2	
Percentage of USTs in states with UST financial assurance funds (%)	0	0	0	EM-RM-150a.2	

# Sustainability and ESG Performance Data



## FOOTNOTES

(1) GHG emissions and energy data reported for 2019 is for Canadian operations only and excludes U.S. operations and all offices.

(2) Includes emissions from facilities regulated under TIER in Alberta and MRGGR in Saskatchewan.

(3) Air emissions disclosed for 2018 include those reported to the NPRI for our major facilities (Edmonton Terminal, Hardisty Fractionator, Hardisty Terminal, Hardisty West Terminal and Moose Jaw Facility) and does not include U.S. Operations or Canadian trucking. The increase in NO<sub>x</sub> from 2018 to 2019 and 2020 was due to the addition of U.S. Operations and Canadian trucking as well as modifications to the NPRI quantification methodology.

(4) Within a 49 km radius of a census population of at least 50,000.

(5) Includes work where remediation certification has been received.

(6) The change in water metrics was due to improved water use tracking capabilities, including the addition of municipal water use from our Moose Jaw Facility which was previously excluded in our 2019 Sustainability Report.

(7) Water removed for use and not returned to its source.

(8) Water returned to the watershed or source.

(9) Percentage of water withdrawn in regions with High or Extremely High Baseline Water Stress, based on available data from our regulators in Canada and the U.S.

(10) The increase in waste generated in 2020 was from waste related to Gibson executing our largest environmental remediation effort to date in Acheson, AB. This was performed to reduce both our Asset Retirement Obligation and eventually our overall land use. It was a one-time soil removal remediation of primarily salt impacted material. Ultimately, more soil was diverted to waste than anticipated due to weather/treatability constraints during the project, though a subsoil salinity tool was utilized to reduce waste diverted to landfill where possible.

(11) Fatalities that occurred to people external to our organization who are not employees or contractors, due to incidents related to our operations.

(12) Per 200,000 hours worked.

(13) Number of vehicle accidents per 1 million kilometers driven.

(14) Average of all completed "safety action items" divided by the total number documented "safety action items" (completed + overdue) within a calendar month period. Total Gibson year to date scoring averages monthly scores from all facilities.

(15) A qualitative score card is used to calculate safety meeting quality. Score card has an attendance component as well as a requirement to follow a set agenda.

(16) Average of all completed training courses divided by the total number required as indicated by the training matrix assigned. Training compliance is tracked using Gibson's LMS.

(17) A qualitative score card is used to calculate investigation quality. Score card contains incident submission and review timelines, sufficient event data, correct root causes and corresponding corrective actions, correct incident classification and owner review for quality.

(18) As at December 31st of the reporting year.

(19) Self-identified diversity data collected from voluntary Diversity & Inclusion survey.

(20) Proportion of employees who donated and/or volunteered for charitable causes through Gibson GIVES. Eligible employees include full-time permanent and fixed term, as well as part-time permanent and fixed term.

(21) New suppliers screened using environmental/social criteria include those which undertook an RFP with Gibson in 2020.

(22) Includes feedstocks processed at our Moose Jaw Facility.

(23) Hydrocarbons spilled during the reporting year that were removed from the environment through short-term spill response activities, not including historical spills.

(24) According to the SASB definition, a significant release is defined as those that resulted in: Fatality or injury requiring in-patient hospitalization; \$50,000 or more in total costs, measured in 1984 U.S. dollars; Highly volatile liquid releases of 5 barrels or more or other liquid releases of 50 barrels or more; and/or Liquid releases resulting in an unintentional fire or explosion.

(25) Proportion of work orders that were planned versus those due to unscheduled incidents.

(26) Number of reportable spills per 1 million m<sup>3</sup> of volume handled.

Please note that metrics marked as "Not Tracked" indicate we did not have the capabilities to track the data in prior years.



# Glossary of Terms



<b>BOE</b>	Barrel of oil equivalent	<b>IEA</b>	International Energy Agency	<b>SDS</b>	Sustainable Development Scenario
<b>CACs</b>	Criteria Air Contaminants	<b>IT</b>	Information Technology	<b>SESG Committee</b>	Sustainability and ESG Committee
<b>CAD</b>	Canadian dollars	<b>LMS</b>	Learning Management System	<b>SO<sub>x</sub></b>	Sulphur oxide
<b>CAO</b>	Senior Vice President & Chief Administrative Officer	<b>LOPC</b>	Loss of Primary Containment	<b>STEPS</b>	Stated Policies Scenario
<b>CCEWG</b>	Climate Change and Emissions Working Group	<b>LTIF</b>	Lost Time Injury Frequency	<b>STIP</b>	Short Term Incentive Program
<b>CCS</b>	Carbon capture and storage	<b>m<sup>3</sup></b>	Meters cubed	<b>Supplier Code</b>	Supplier Code of Conduct and Ethics
<b>CO<sub>2</sub></b>	Carbon dioxide	<b>MRGGR</b>	Saskatchewan's Management and Reduction of Greenhouse Gases Regulations	<b>SVP</b>	Senior Vice President
<b>D&amp;I</b>	Diversity and Inclusion	<b>MWh</b>	Megawatt hour	<b>SVP O&amp;E</b>	Senior Vice President Operations & Engineering
<b>DRU</b>	Diluent Recovery Unit	<b>NMFR</b>	Near Miss Frequency Rate	<b>TCFD</b>	Task Force on Climate-Related Financial Disclosures
<b>EBITDA</b>	Earnings before interest, taxes, depreciation, and amortization	<b>NO<sub>x</sub></b>	Nitrogen oxide	<b>tCO<sub>2</sub>e</b>	Tonnes carbon dioxide equivalent
<b>EH&amp;S</b>	Environment, Health and Safety	<b>NPRI</b>	National Pollutant Release Inventory	<b>TIER</b>	Alberta's Technology Innovation and Emissions Reduction Regulation
<b>ERM</b>	Enterprise Risk Management	<b>OMS</b>	Operations Management System	<b>TRIF</b>	Total Recordable Injury Frequency
<b>ESG</b>	Environmental, Social and Governance	<b>President &amp; CEO</b>	President & Chief Executive Officer	<b>UN SDGs</b>	United Nations Sustainable Development Goals
<b>Federal Backstop</b>	Federal carbon pricing backstop	<b>PSE</b>	Process Safety Event	<b>U.S.</b>	United States
<b>GHG</b>	Greenhouse gases	<b>RFP</b>	Request for proposal	<b>UST</b>	Underground Storage Tank
<b>GRI</b>	Global Reporting Initiative	<b>RSIF</b>	Recordable Spill Incident Frequency	<b>VOCs</b>	Volatile Organic Compounds
<b>H&amp;S</b>	Health and Safety	<b>RVIF</b>	Recordable Vehicle Incident Frequency	<b>VP</b>	Vice President
<b>ha</b>	Hectare	<b>SASB</b>	Sustainability Accounting Standards Board		

# Forward Looking Statements Disclaimer



Certain statements and information contained in this document constitute forward-looking information (as such term is defined under Canadian securities laws). All statements other than statements of historical fact are forward-looking information. The use of any of the words “anticipate”, “plan”, “continue”, “target”, “estimate”, “expect”, “intend”, “propose”, “might”, “may”, “will”, “shall”, “project”, “should”, “could”, “would”, “believe”, “predict”, “forecast”, “potential” and “opportunity” and similar expressions expressing future outcomes or statements regarding an outlook are intended to identify forward-looking information. Forward-looking information contained in this document includes, but is not limited to, information regarding Gibson’s sustainability, ESG targets, initiatives and strategies and commitments relating thereto; Gibson’s evolving business strategy; Gibson’s net zero commitment; expectations regarding Gibson’s ability to adapt to and support market changes and ability to delivery meaningful emissions reductions (and the factors expected to contribute to such reductions); Gibson’s ability to strengthen its business (and the factors expected to contribute thereto); the type, nature, timing (including duration), likelihood and financial impact of the materialization of certain risks and Gibson’s risk mitigation efforts; the anticipated climate-related impacts and opportunities available to Gibson and the cost and expected timing of such opportunities; the expected impacts to our business of the energy transition; the potential for, anticipated impacts of, and expansion opportunities as a result of, the deployment of renewable technologies; expectations regarding the ability to expand Gibson’s asset base and product and service offerings (including the impacts thereof); and our expectations regarding demand for our products; . The forward-looking information contained in this document reflects our beliefs and assumptions with respect to the outlook for economic and industry trends, commodity prices, capital markets, the governmental, regulatory and legal environment, our business and the businesses of our industry partners, the impact thereon of environmental, including climate-related, matters, and the likelihood, timing and financial impact of certain events. Our management believes that its assumptions and analysis in this document are reasonable, however, no assurance can be given that these expectations will prove to be correct.

Actual results could differ materially from those anticipated in such forward-looking information as a result of factors outside of our control and due to the risks and uncertainties described under the heading “Risk Factors” in our current management’s discussion and analysis and Annual Information Form, in each case as filed on SEDAR at [www.sedar.com](http://www.sedar.com). Readers should refer to “Forward-Looking Information” and “Risk Factors” included in such documents. Readers are cautioned that there may be risks that are unknown and other risks that may pose unexpected consequences. As such, forward-looking information included or referred to in this document should not be unduly relied upon. The forward-looking information included or referred to in this document is expressly qualified by this cautionary statement and is as of the date hereof. Gibson does not undertake any obligation to publicly update or revise any forward-looking information, whether as a result of new information, future events or otherwise.

## Non-GAAP Measures

This document refers to certain financial measures that are not determined in accordance with IFRS. Adjusted EBITDA is not a measure recognized under IFRS and does not have standardized meanings prescribed by IFRS and, therefore, may not be comparable to similar measures reported by other entities. Management considers this to be an important supplemental measure of Gibson’s performance and believes this measure is frequently used by securities analysts, investors and other interested parties in the evaluation of companies in industries with similar capital structures. See “NonGAAP Financial Measures” in Gibson’s most recent management’s discussion and analysis for a reconciliation of Adjusted EBITDA to the most directly comparable GAAP measure. Readers are encouraged to review Gibson’s most recent management’s discussion and analysis, available at [www.gibsonenergy.com](http://www.gibsonenergy.com) and on Gibson’s profile at [www.sedar.com](http://www.sedar.com) for a full discussion of the use of such measure. Readers are cautioned, however, that these measures should not be construed as alternative financial results determined in accordance with IFRS as an indication of Gibson’s performance.

## IEA World Energy Outlook Scenario Usage

While the SDS and STEPS offer potential outlooks for the energy future, it is difficult to predict how the future may unfold and the potential outlooks under the SDS and STEPS may not be an accurate representation of what will or should occur in the future. By considering these scenarios, we were able to stress test the resilience of our business over a range of different potential outcomes, including the lower probability, higher consequence set of assumptions under the SDS.

